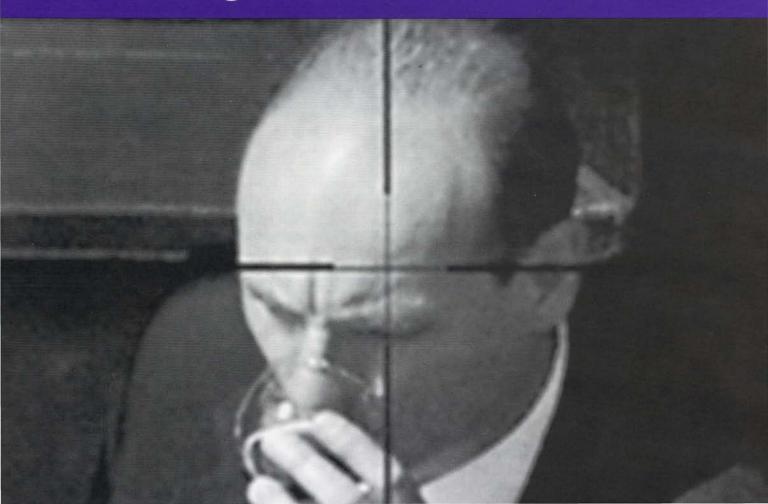
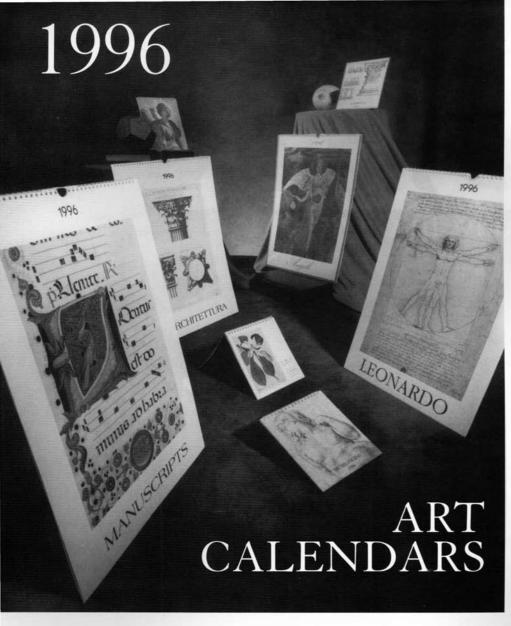


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British assassins' bureau targets Chirac and Clinton





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From the Associate Editor

The photo on our cover is not actually that of French President Jacques Chirac: It is a piece of British-run *irregular warfare* propaganda directed against the French nation-state. The actor playing Chirac is taking part in a television commercial titled "The Day of the Jacques," in imitation of the famous film "The Day of the Jackal," about the assassination attempts against Charles de Gaulle. Our *Feature* tells the story of who put out this piece of filth, and why.

The typical television viewer, overdosed on the O.J. Simpson trial, would probably shrug off such threats against Chirac, and similar ones against President Clinton, such as the recent "chainsaw demonstration" at the White House. "Just a joke by some nut group, nothing to worry about," the viewer would say. But our *Feature*, proceeding from the standpoint of current history, documents how such measures of psychological warfare have ended in assassinations: John F. Kennedy, Jürgen Ponto, Alfred Herrhausen, Detlev Rohwedder, and the numerous victims of the Earth First! terrorist cult.

In his book *Modern Irregular Warfare*, the late Prof. Friedrich August Frhr. von der Heydte characterized irregular warfare as "an instrument of *indirect action*. The adversary is not 'decisively beaten' in irregular war, instead he is 'decisively outmaneuvered.' Anyone choosing to employ irregular warfare as an instrument of indirect action, intends to achieve a certain *psychological effect*. His aim will be to make his *own* political aim appear as historically necessary, inevitable, and self-evident to his adversary."

From this point of view, the NATO air raids finally launched against Bosnian Serb targets assume particular importance. As Lyndon LaRouche comments (p. 34), President Clinton has applied regular warfare techniques to a battlefield which the British and their Serbian stooges were controlling through irregular methods. Only by shifting to regular warfare, under these specific historical circumstances, was it possible to "break the magic" of the British strategy.

Another case of British irregular warfare is the situation in Nigeria (p. 44), where *EIR* and the Schiller Institute are toe-to-toe against Britain's Baroness Lynda Chalker and the friends of Henry Kissinger.

Susan Welsh

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In Denmark: EIR, Post Box 2613, 2100 Copenhagen ØE, Tel. 35-43 60 40

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EIREconomics

U.N. says food shortage caused by 'too many people'

by Marcia Merry Baker

"The Quebec Declaration" on world food security is in the works for release by the United Nations in early November, from its Food and Agriculture Organization (FAO) based in Rome, which is observing the 50th anniversary of its founding on Oct. 16, 1995, in Quebec City.

A draft text of the resolution, provided to this news service, shows that, as expected, it continues the rhetoric and role of the U.N. to "talk food," while whole nations of millions of people have been forced into food import dependence, especially during the past 25-30 years, and now the food is not there. One of most dramatic, current examples is Russia, where the 1995 grains harvest may come in at merely 65 million tons—the lowest in decades, and way below minimum consumption needs.

This process of forced food import dependence has been done in the name of "free trade," and enforced by FAO sister organizations, the International Monetary Fund (IMF) and World Bank, also founded 50 years ago. Today's food dependence is exactly analogous to the politically enforced food dependence of the population living along the littoral of the Mediterranean Sea in the 1300-1500s, when Venetian merchant vessels controlled grain trade routes, and held cities hostage by withholding food offshore until demands were met.

Today, an interlocking web of grain and other basic food commodity companies constitutes a global cartel—mostly Anglo-Dutch-Swiss, some of whose corporate pedigrees date back to centuries-old Venetian interests. The private "big money" families and circles associated with this cartel, and generally London financial interests, have been moving heavily into ownership of scarce food stocks, processing, and storage facilities, as part of their rush into commodities ownership (precious metals, minerals, etc.), to try to save

themselves through hoarding and speculating during the coming, inevitable blowout of the world financial system.

The famous names involved in this, to take grains as an example, are (giving the rough percentage control of world cereals trade): Cargill Inc. (25%), ADM/Toepfer (20%), Continental (13%), Louis Dreyfus (13%), Bunge (12%), Pillsbury (owned by London-based Grand Metropolitan, 4%), Marc Rich and other dealers (4%).

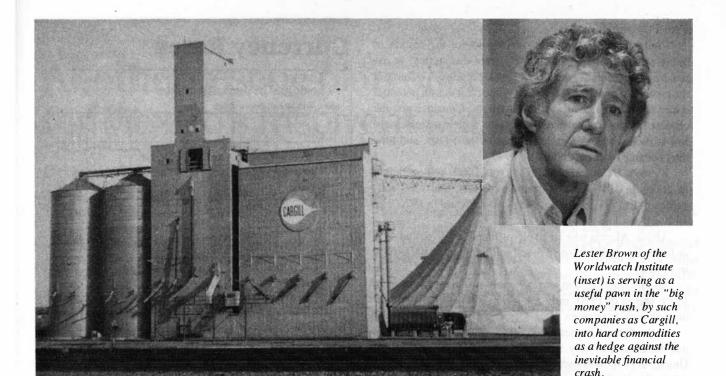
At chosen food-producing regions around the world, these companies have moved in to buy up key links of the food chain—grain elevators, barge lines, rail depots, processing plants; and to bankrupt opposing interests.

FAO themes

None of these names, nor actions, will be identified in Quebec City, of course, according to the plans for the celebrations and fanfare at the 50-year commemoration. The themes of the Oct. 13-16 conference, and the pre-meeting symposium on Oct. 11-13, carry on those priorities of the U.N. World conferences on the environment in Rio de Janiero (1993) and on population in Cairo (1994). The approved viewpoints are that: 1) low-tech agriculture practices are the only environmentally friendly methods; 2) producing less food is the only "sustainable" economic activity under the circumstances; 3) therefore, population reduction is a necessity.

The FAO hopes to have 1,500 representatives at a symposium of sessions on such matters, advertised as focused on case studies from five continents, to demonstrate ways of "managing natural resources, managing markets, and managing know-how and technology."

The attendees are expected to be representatives from the ranks of non-governmental organizations (NGOs), various food and agriculture experts, and, the FAO invitations stress,



business. "Innovative solutions" and "business contacts" are stressed in the invitations.

What about the question of world food shortages? There is everything else on the agenda for the whole Quebec City October gala, *except* the matter of emergency economic measures that should be undertaken to assist nations to restore agriculture infrastructure and output potential.

What we can expect to see, is hand-wringing over hunger, and publicity on how short world food stocks and harvests are, issued such in a way as to feed no one but the interests of the high finance hoarders.

1996 world food summit

The October Quebec anniversary events are preliminary to a U.N. world food summit, planned for November 1996. Plans are to continue the policies first publicized at the last U.N. world food summit, in 1974 in Rome. Earlier that year, the U.N. hosted a population conference in Budapest, to issue the demand that world population growth be stopped; then, in November, 1974, the U.N. hosted the World Food Conference, with the featured speaker being U.S. Secretary of State Henry Kissinger, one of the most notorious advocates of the use of food as a political weapon. Publicly, Kissinger used soft talk about eliminating hunger; but privately, he was busy in 1974, preparing the U.S. National Security Strategy Memorandum 200 (NSSM 200), which mandated food warfare against specified nations whose populations were growing too quickly.

The backers of these U.N. conferences, and of Kissinger, were centered in London-based financial and commodity in-

terests, acting through such funding agencies as the Rocke-feller Foundation. Another operation of theirs in 1974, was to create a new "authority" for propaganda on food and resources. This led to the founding in Washington, D.C. of the Worldwatch Institute, and the beginning of the career of one Lester Brown—a protégé of Orville Freeman, from Minnesota, and formerly U.S. Agriculture Secretary in the 1960s, and a lifelong servant of cartel commodity interests.

Lester Brown is expected to be the keynote speaker at the Quebec City FAO event. In press releases over the summer, Brown decries food and harvest shortages, and asserts that they show the impossibility of producing enough food to feed everyone. In his June 9, "World watch Vital Signs Brief 95-1: World Grain Stocks Dropping to All-Time Low," he concludes: "Making it to the next harvest, a concern ever since agriculture began, is now re-emerging as a major concern of many governments today. The tightening of the market now under way could mark the conversion of the buyers' market of the last half century to a sellers' market. Competition among exporting countries for markets that never seemed large enough may be replaced by competition among importers for exportable supplies that never seem adequate.

"This decline in world grain stocks and the growing difficulty in expanding both oceanic and land-based food output underlines the importance of stabilizing world population growth sooner rather than later. It adds to the urgency of implementing the World Population Plan of Action adopted at Cairo last September. Achieving an acceptable balance between food and people now may be more dependent on family planners than on fishermen and farmers."

Food dependence

Contrary to Brown's self-serving logic, the causes of today's food shortages are not "inherent difficulties" in expanding food output, nor "population pressure," but rather the takedown of national economies and their output potential under the recent decades of the IMF era. Consider just the crudest measure of this: the degree to which nations were self-sufficient in basic grains output in the 1970s, and how they became food-dependent by 1990.

Western Hemisphere: Mexico was 106% self-sufficient in grains in 1970 (i.e., a grains exporter); and 73% self-sufficient in 1991. Haiti was 94% self-sufficient in 1970; and 46% self-sufficient in 1990.

Africa: Algeria was 76% self-sufficient in 1970; and 44% in 1990. Egypt fell from 73% self-sufficient in 1970, to 63% in 1990.

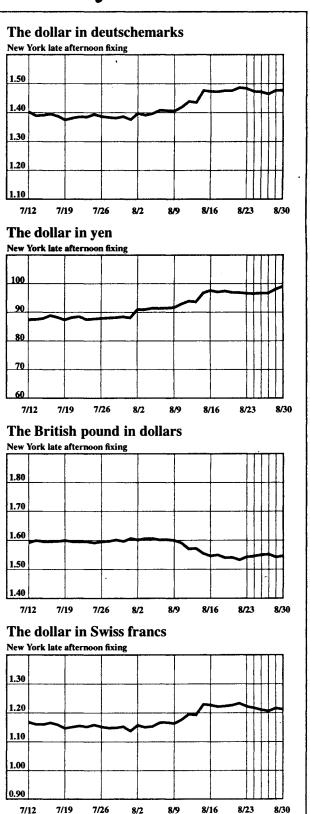
Middle East: Jordan was 33% self-sufficient in grains in 1970; and as of 1990, only 3%—i.e., almost totally dependent on outside sources.

In the former Soviet bloc region, this process has taken not decades, but only five years. As a whole, the Soviet Union, in 1970, was over 90% self-sufficient in grains output for its needs, though with livestock feeding problems, and other limitations. By the mid-1980s, this self-sufficiency had dropped to 85% at best. From 1990 to the present, the grains output of this region has dropped to the point of catastrophe. For example, the average annual grains harvest in the Russia Federation was between 110-115 million tons in the 1980s. In 1992, it dropped to 101 million tons; in 1993, down to 94 million tons; in 1994, down to 77 million tons.

This year, the Russian grain harvest may fall to 65 million tons. The solution for Russia, and all the CIS republics, is the same needed on every continent: To initiate emergency measures for the present, and to restore longer-term infrastructure building, and production of the inputs required to expand agricultural output potential. In the newspaper *Trud* on Aug. 26, commenting on the disastrous grain harvest, Russian Vice Premier A. Zaveryukha and Agriculture Minister A. Nazarchuk both noted that Siberia is potentially capable of feeding the whole of Russia. The problem here, as elsewhere, however, is lack of equipment. "The work load per combine in Altay [south of Novosibirsk] this year is in excess of 500 hectares. That is, crop losses are inevitable."

As against this reality, "The Quebec Declaration" on the FAO's 50th anniversary is just more despicable U.N. doublespeak on food. It notes "with satisfaction the progress made globally with respect to these objectives [ensuring the 1945 goals of freedom from hunger, expanding the world economy and raising nutrition levels] over the past 50 years." The declaration calls for action in three areas: "I. Promoting agriculture, forestry and fisheries as key sectors in the quest for sustainable economic development; II. Empowering food producers and consumers; III. Making sustainable use of natural resources for development."

Currency Rates



Another rescue plan offered for Mexico's insolvent banks

by Carlos Cota Meza

The Debtors Assistance Accord (ADE) announced in late August by the Mexican government proves one thing: Only action by the federal government can prevent the banking system from disintegrating. That said, this latest action by President Ernesto Zedillo is precisely the opposite of what needs to be done.

Despite all the noise made in the official announcement of the ADE, the program comes down to 12 billion "new pesos" (or \$2 billion, at an exchange rate of six new pesos to one dollar) to be disbursed over the 13-month life of the program. According to Finance Minister Guillermo Ortiz, the program "will cost [the government] 7 billion new pesos." The banks will contribute another 5 billion, which are to come from "further reducing the banks' interest rate spreads," according to José Madariaga Lomelín, the "former banker" who heads the Mexican Bankers Association.

Thrown into the ADE hopper as well, are 13 billion new pesos which the government has already absorbed in restructuring arrears through the so-called Investment Units, or UDIs, a program which was a complete failure within three months of its inception. According to the Finance Ministry, this expenditure will be incorporated into the ADE, and included in the "sacrifice" of public spending.

The ADE's 12 billion pesos amount to a mere 10% of the total debt arrears accumulated in the first seven months of this year, a total of 120 billion new pesos. And yet, with this 12 billion, the government intends to "benefit" 6.372 million bank users, including 4.72 million credit-card holders, 440,000 holders of personal or consumer loans, 382,000 mortgagees, and 850,000 businesses or businessmen. Since this universe of "beneficiaries" (unfortunates, some would call them) includes around 75% of the country's delinquent debtors, this means that the real problem of the banks lies in the 25% of the debtors who hold 90% of the bad debt.

This so-called debt-relief scheme functions on the basis of new federal government subsidies to the bankers. That is, the government will pay the banks the difference between current market rates, and the interest rates they are to offer debtors under the ADE. The government and bankers alike hastily insisted that "ADE rates" will in no way function as new credit during the period the program is in force, or ever, for that matter. The "adjustment" program imposed by the

International Monetary Fund, which has sunk the Mexican economy in deep depression, will remain in full force.

Further, the ADE rate is premised on the supposition that market interest rates will fall, which is highly unlikely. What many are now asking is: What will happen with the ADE over the coming months, when a year-end devaluation of the peso is already being forecast, that will once again throw the financial markets into turmoil?

The ADE mechanism

The formal ADE mechanism consists of:

1) A reduction of interest rates over the next 13 months on the different kinds of credit available. It is stated that said rates will, in no case, be higher than those which prevailed before the crisis.

Credit cards will pay a maximum interest rate of 38.5% over the next 13 months, but only for the first 5,000 new pesos of debt; consumer loans, 34% interest rates for the first 30,000 new pesos; and business loans, a maximum interest rate of 25% for the first 200,000 new pesos of debt. The agricultural sector, apart from the 25% interest rate offered on restructured loans, will have 18-month terms. The Value Added Tax will be applied to all these operations.

As is well known in the agricultural, manufacturing, and commercial sectors, the problem of debt arrears began long before the crisis last Christmas. The root of the problem is that producers' costs of production were well above the prices paid for their products, a problem worsened by unfair competition from imports sold at "dumping" prices, a policy promoted by the Carlos Salinas de Gortari government. Interest rates in the commercial banking system were always more than 100% over the reference rate, those of 28-day treasury certificates, or CETES; the only businesses prepared to pay such rates were those which expected very high speculative yields.

As can be seen today, the main clients of the banks were the speculators who invested in risky deals, which collapsed in December 1994. It is in these sectors that the major portion of bad debt resides, along with many other bad business deals of the bankers which the government does not want to recognize. This negligence on the part of the government was what led to the failure of the debt restructuring programs

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of the previous government, known as Fircaven and Sireca in their first and second phases, which operated through Nov. 30, 1994.

2) The banks will forgive the entirety of the interest arrears that they are currently collecting from their clients. As anyone who is suffering the perversity of usury today well knows, interest arrears are those which are not yet capitalized, but which, once capitalized, will accrue ordinary interest. The problem of the insolvency of the past eight months lies in the capitalization of interest, which ADE considers as "new lines of credit" given to delinquent debtors.

The universal example is: At a monthly interest rate from November 1994 of 2.27%, a debtor would pay around 19.7% accumulated interest over the last eight months of 1995. Instead, the debtor is actually paying 52.9%. If the client paid the same as last year, because he was unable to pay more than the 2.27% monthly rate, his debt is now 33% larger, which is the portion of capitalized interest. If he could not pay anything, his debt today is 53% larger than that originally contracted.

The typical bank user now has more debt, while, thanks to the effects of inflation, he has less income to pay for it. The ADE does not consider this fact: The crisis of the debtors is not one of liquidity, but of insolvency, and in such circumstances, it matters little whether the interest rates stand at 40%, 25%, or 10%.

3) The granting of a legal truce on the part of the banks, during which no collection actions will be undertaken in the courts, except those strictly necessary to preserve their rights.

Because the ADE does nothing to resolve the causes which gave rise to the crisis, this amnesty on judicial actions, granted until Oct. 31, 1995, and extendable in specific cases until Jan. 31, 1996, is equivalent to putting off the execution date for a man condemned to death, without lifting the death sentence. The order that banks not demand additional collateral for restructuring loans is simply an imposition of minimum decency upon the bankers.

Citizens will pay

The key to understanding the Debtors Assistance Accord is found in President Zedillo's speech announcing the agreement. The President stated that the only viable accord, was one directed at strengthening "the solvency of the banking institutions. No accord which did not fulfill this condition would be acceptable to the Government of the Republic."

The President also explained who would have to pay for this "strengthening" of the banks. The implementation of the accord would only be possible through an allocation of public resources: "In order to maintain fiscal discipline, an essential basis for healthy growth, it will be indispensable to sacrifice other areas of public expenditures to back this accord."

Miguel Mancera, the governor of the autonomous Bank of Mexico, took care to specify that the Zedillo government,

with this plan, "will not take recourse to public debt to support the program. . . . The adjustment will be made out of public expenditures, and could be based on the fiscal surplus." So that no doubts remained, Mancera reiterated: "The Bank of Mexico will not relax its management of monetary policy. . . . The central bank's limits on domestic credit remain unchanged."

All this means, that in order to refinance the banks under the disguise of "aiding" the debtors, there will be no budget expenditures, not even at the reduced levels which produced the surplus. Nor will there be any issuance of domestic credit, beyond that which the Bank of Mexico arranged in 1994 to refloat the bankrupt banks.

The ADE is the fifth program initiated since the failed Fircaven, Sireca I, and Sireca II programs of the previous government, and that of the illusory Investment Units. The government came up with the ADE after the government resorted to the Banking Fund for the Protection of Savings (Fobaproa) to "provide capital to the banks" in the name of "protecting depositors," and after taking on more foreign debt to refinance the banks through the Program for Temporary Capitalization (Procapte). None of these programs had succeeded in saving the corrupt bankers.

Self-loans and speculation

The Zedillo government should understand that the banks became bankrupt, not because someone stopped paying them, but because in part "they succumbed to the temptation of self-loans," when they invested resources gotten from the saving public and foreign loans, in their own, very bad deals. That is, they are the receptacles for that international speculative capital known as financial derivatives, and they intend to continue to feed this cancer from the wealth of the public treasury—that is, the Mexican population.

Take the case of Carlos Cabal Peniche, of Banco Union-Cremi, who gave himself a self-loan of seven billion new pesos, exactly the amount which the government has allocated to the ADE. Angel Rodríguez loaned himself an amount slightly under the five billion pesos which the bankers are now putting up for ADE. Together, two airline companies, Aeroméxico and Mexicana, which have merged, owe close to 12 billion new pesos to four banks (Mexicano, Inverlat, Serfin, and Bancomer), about as much as the totality of the ADE! The Banco del Centro (Bancen) went belly-up over the amount of 400 million new pesos, and the Banco del Oriente (Banorie) went bankrupt over 330 million. Who stopped paying these little banks which were last in line in capturing savings and offering credits?

What is certain, indeed, is that the ADE is a "one-time effort." What comes next, is government intervention to close the banks, and put them into bankruptcy. After this, the Zedillo government will have to establish a new system of national credit, intervening in the mother of all the banking corruption—the Bank of Mexico.

Mexican Congress receives draft bill on 'life after the death of the IMF'

by Carlos Wesley

Mario Alberto Navarro, sergeant-at-arms of the Mexican Senate, formally received on Aug. 23 a draft "Initiative to Reactivate the National Economy, and for Mexico's Participation in a World Economic Recovery." The draft bill, a proposal from the "Second National Forum: There Is Life After the Death of the IMF [International Monetary Fund]," was presented to the Standing Committee of Mexico's Congress by Navarro, immediately after he received it, surrounded by TV cameras and press, from a delegation made up of Marivilia Carrasco, chairwoman of the Ibero-American Solidarity Movement (MSIA); Manuel Villagomez, president of the National Confederation of Micro and Small Industries (Conamipi); and Juan Carlos Grayeb, representing the National Association of Bank Users (Conaubac), which claims 1.1 million members.

The citizens' initiative entered the Mexican Congress just one week before President Ernesto Zedillo's Sept. 1 State of the Nation address, and in the midst of the debate precipitated by Sens. Fernando Solana and Trinidad Lanz Cárdenas on the debt crisis. Already, in July, the Senate Finance Committee condemned the practice of capitalizing interest payments on arrears, calling it "usury and loan sharking." Senator Solana, the former foreign minister who led the fight against IMF policies along with Senator Lanz, said it was time for the government to "listen to what's going on in the fields and the streets of Mexico, instead of on Wall Street."

While the bill was being presented to Congress, outside the Senate a delegation from the organizations that participated in the Second National Forum, which submitted the document, staged a demonstration calling for passage of the initiative. The demonstrators called for the ouster of Miguel Mancera, governor of the Banco de México, the central bank, who has exercised a virtual dictatorship over Mexico's finances for the past 15 years.

One of the protestors dressed as a bankrupt banker, complete with a beaten-up top hat, which attracted the attention of the media and passersby. The poor banker sat at the entrance of the Senate passing his hat, begging for alms. A real beggar came by, the two hugged (while the cameras rolled away), and both started panhandling together. Afterward, the demonstrators walked over to the nearby Banco de México, where the "bankrupt banker" took out a rag and started wiping the wind-

shields of passing automobiles, provoking much laughter.

Eleven states represented

The draft bill came out of the deliberations of the Second National Forum held in Mexico City on Aug. 18-19. Among the 185 delegates from 11 states, besides the MSIA, Conaubac, and Conamipi, there were representatives from the National College of Mechanical and Electrical Engineers (a professional association), the National Catholic Party, the Cajeme Agricultural Union, the Permanent Forum of Rural Producers, and the Mexican Association of Micro-Entrepreneurs.

If passed, the bill could add 1 million new jobs per year to Mexico's economy, said one of the organizers of the Second National Forum. The delegates also heard a proposal for reactivation of Mexico's agriculture by means of massive irrigation projects for the arid north, with water to come from the water-rich southern state of Chiapas. This is another reason why the Zapatista insurgency must be defeated and stability brought to the region, the delegates were told.

In the bill they submitted to Congress, the sponsoring organizations noted that the Mexican government has the means at hand "to achieve sufficiency and progress in our nation's manufactures and agriculture. Our goal is to save, at all costs, national production from the sure suicide which threatens it through the application of IMF policies. Our movement is committed to awakening the community of interests of all Mexicans, which are those which produce national vitality. We do not want sterile protests, nor revolts, nor insurrections.

"The Mexican people, by divine law, by natural law, and by the law of nations, has the right to free itself from usury."

Documentation

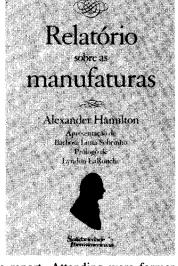
Following are excerpts of the draft "Bill for the Reactivation of the National Economy and for Mexico's Participation in a World Economic Recovery," introduced to the Congress of Mexico on Aug. 23, on the initiative of several civic organiza-

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'Report on Manufactures' is published in Brazil

On Aug. 29, the first edition in Portuguese of Alexander Hamilton's "Report on Manufactures" was presented in Rio de Janeiro. There were 80 persons in attendance at the event, which was held in the library and the gardens of the Museum of the Republic, which used to be Brazil's Presidential Palace until 1960.

The audience was made up of the "cream of Brazil's republican



elite," according to one report. Attending were former parliamentarians, active and retired military (including the editors of two military publications), engineers and other high-level technicians, businessmen, and others, including the two granddaughters of Luiz Rafael Vieira Souto, an engineer who was one of the pioneers of the American System in Brazil, and who is referred to in the appendix to the book. Vieira Souto was also the teacher of Barbosa Lima Sobrinho, 98, the dean of Brazilian journalism and the author of the preface of the book.

Nilder Costa, director of the Ibero-American Solidarity Movement (MSIA) in Brazil, opened the event by introducing a musical program—a guitar and flute duo, which played works by C.P.E. Bach, J.S. Bach, Fernando Sor, Heitor Villa-Lobos, and Pergolesi.

Barbosa Lima Sobrinho, the featured speaker, who writes a weekly column for *Jornal do Brasil*, talked about the importance of Alexander Hamilton and his contributions. He concluded, "Nothing else needs to be said; buy the book!"

Silvia Palacios, *EIR*'s correspondent in Brazil who was the editorial coordinator of the project to publish the book, said that it was part of the efforts of the MSIA and *EIR* to publicize the positive contributions of the American System. "We hope that the book contributes to reviving the anti-oligarchy tradition in Brazil."

Also shown was a videotape from a recent "The LaRouche Connection" television show, in which Lyndon LaRouche, the author of the Prologue to the book, spoke about the importance for Brazil of Hamilton and the ideas of the American System. LaRouche said that Hamilton's development of a paper currency and use of "national banking, protectionism, and this kind of political economy—based on scientific and technological progress, and infrastructure building, state responsibility for building infrastructure for the local states or the national government—was the basis for the greatness of our [the United States'] economic achievement. . . .

"On that basis, we always succeeded. National banking and the American System: It always works. It worked for us, it will work for us again. It will work for Brazil now."

tions that participated in the Second National Forum, "There Is Life After the IMF."

Whereas:

Today, each and all of the nations on this planet are under the domination of a single world financial and monetary system, that of the International Monetary Fund (IMF); this system is in the process of disintegrating, and the definitive disintegration of the IMF system could occur within weeks or could be postponed, at most, in an unlikely case, until the beginning of 1997;

Nothing of the current financial and monetary system can be saved, and no solution whatsoever exists within this system for any nation;

Within 48 to 72 hours following the onset of definitive disintegration, classical measures of bankruptcy reorganization should be put into effect for the totality of the world financial and monetary system and, therefore, our nation

should resort to the same type of reorganization; and

The political, economic, and social forces of our nation need to participate, beginning now, in shaping the intellectual and programmatic preconditions which will permit the adoption of the relevant measures of economic, financial, and monetary reorganization. We offer the following draft law to reactivate the national economy and for Mexico's participation in a world economic recovery.

I. Participation of the national government in the reactivation of the world's economy

. . . The Congress of the Union instructs and authorizes the Executive branch to, as quickly as possible, enter into negotiations with the government of the United States and other nations which desire to participate, to: a) convene a World Monetary Conference to develop a new monetary order to replace the International Monetary Fund; b) establish a new set of trade, tariff, and economic accords that reflect

the vital common interest of the sovereign nations committed to this general recovery effort. . . .

II. Domestic monetary reform

... A strong national currency is essential as an instrument of the national sovereignty of the government in its own economic affairs, as well as to promote the creation of real wealth through the appropriate credit mechanisms. To support a robust national currency and assist in orderly and just trade relations domestically and with other nations, the national monetary system is reorganized on the basis of gold reserves and the value of the currency is fixed to a "basket" of goods, which will be defined by a subsequent decree. . . .

III. A new National Bank

... A nation's bank cannot be "autonomous." Undoubtedly, an institution which is assigned sovereign tasks cannot operate outside of the control of the nation itself, for which reason the Banco de México is restructured as a new National Bank, under the following criteria:

... The new National Bank is the property of the State and will function under the orders of the Federal Executive, in conjunction with the Congress of the Union.

. . . The new National Bank will follow a general policy of encouraging the increase of the productive capacities of the national labor force through scientific and technological progress; the promotion of independent family farming, the formation and development of small and medium-sized industrial enterprises, and general capital improvements for industry and mining; and providing credit for urgent improvements in housing, physical infrastructure, and facilities for education and health.

All issuance of credits by national and foreign banking institutions and by individual persons, will be subject to laws against usury. . . .

IV. A new Mexico for the 21st century

. . . Basic physical infrastructure, which includes transportation, energy, and the supply and management of water and communications, is greatly deteriorated. Therefore, the government will immediately establish a National Infrastructure Commission, which will have general responsibility for the planning and speedy execution of a National Infrastructure Plan.

Large-scale investments in the improvement of the nations' infrastructure are the most efficient way of increasing the productivity of the economy, sustaining a high level of productive employment, and creating conditions favorable for the rapid development of private industry and agriculture. . . .

V. Trade and tariffs

. . . The trade of essential goods, such as food, raw ma-

terials, and basic equipment at prices below their cost of production, causes grave economic damage that cannot be tolerated. . . .

The government will thus establish a new system of parity prices for national producers. . . .

Within the new world financial, monetary, and economic order, it will be determined to eliminate the World Trade Organization, whose predecessor, the General Agreement on Tariffs and Trade (GATT), led international trade relations to an intolerable situation, destroying entire sectors of national production and impoverishing the great majority of the peoples who fell under its dictates, such as our country.

VI. Tax policy

. . . The proper function of a tax system is not only to generate the revenues needed for the functioning of the government, but also to encourage those categories of activity that benefit the general welfare of the Nation, at the same time that those that are provably harmful are discouraged. . . .

The most efficient way to increase the revenues to the treasury, is by promoting the productive employment of the labor force in capital- and technology-intensive activities, which increases the per capita physical output of production. . . .



LaRouche Campaign Is On the Internet!

Lyndon LaRouche's Democratic presidential primary campaign has established a World Wide Web site on the Internet. The "home page" brings you recent policy statements by the candidate as well as a brief biographical resumé.

TO REACH the LaRouche page on the Internet:

http://www.clark.net/larouche/welcome.html

TO REACH the campaign by electronic mail:

larouche@clark.net

Paid for by Committee to Reverse the Accelerating Global and Strategic Crisis: A LaRouche Exploratory Committee.

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Report from Rio by Lorenzo Carrasco Bazúa

Internal debt: The circus is afire

Like trained dogs, the collaborators of President Cardoso are dancing to the tune of the international bankers.

So far this year, all the efforts of the Brazilian government's economic team have been concentrated on containing the capital flight which followed in the wake of the December 1994 Mexican bankruptcy, and on stubbornly denying that the Brazilian situation has any resemblance whatsoever to Mexico's.

That is why the crisis of Banco Economico was covered up for six months. The bank should have been liquidated at the beginning of the year, in the midst of the Mexican crisis, but this would have revealed the internal corrosion of the Brazilian banking system. The price of hiding the reality, in this case alone, already amounts to some \$3 billion, which the Central Bank had to inject to artificially keep Economico afloat. It is the first of several tens of banks which will inevitably go under because of the unusual increase in unpaid debts, as is insistently rumored in the Rio and São Paulo markets.

True, by offering the highest rates of usury in the world, the Brazilian government has managed to reestablish its international reserves, with the arrival of speculative capital during the months of July and August, calculated at \$12 billion, which boosted exchange reserves to \$45 billion, the highest in history. With this, the government will stem the crisis of its foreign accounts and save itself from an imminent currency crisis.

Maybe the reader thinks that this is good news, and shows that the Brazilian model is different from Mexico. But that would be a cruel illusion. The government has avoided, for now, falling into the fire which is burning

its neighbors, but it has drowned its domestic economy in gasoline.

The interest rates which served to attract foreign capital, together with the exaggerated increase in banking reserve requirements, had the effect of a "strategic bombing" on the national economy: Overnight, it suffocated thousands of farming, industrial, and commercial businesses and forced them into bankruptcy.

Tens of thousands of families which have fallen into credit arrears are also in desperate straits. So, with the sudden cutbacks in consumption, the government can now boast that its exports will grow, relieving the pressure on the balance of trade, which has been \$5 billion in the red so far this year.

The increase in interest rates, on the other hand, set off a phase of cancerous growth in internal debt, especially in the debt in the form of government securities and bonds, which are being used as a valve for the regulation of the domestic money supply. For example, between January and June 1995, this debt went from \$50 billion to \$77 billion.

In July alone, mainly as a result of the massive influx of speculative capital, the government had to issue more than \$13 billion in treasury securities to soak up excess liquidity in the economy, which means that the capital which is entering the country will enjoy a guaranteed 4% monthly interest, which is what the government pays its bondholders. The growth in the internal debt in July, \$13 billion, which raises it to \$90 billion, is equal to the total of what the government says it has collected with the pro-

cess of privatizations since it started with the Collor de Mello regime.

The Cardoso government is now readying the sale of Brazil's "crown jewel," Companhia Vale do Rio Doce. It is the world's largest producer of iron ore; owns gold and copper mines, railroad networks, ports, and the country's largest fleet of ships; and is the developer of the giant Carajas mining site in the Amazon. All this, the government wants to privatize for \$8-10 billion—not even enough to cover the \$13 billion by which internal debt grew in July alone!

In addition, from January 1994 to July 1995, the state and municipal debts have doubled, going from \$17 billion to about \$36 billion. At an interest rate of 60% annually, public indebtedness (federal, state, and municipal), which now amounts to nearly \$110 billion, is growing by more than a billion dollars a week.

The bankruptcy of public finance is total, and the government has yet to feel the impact of the loss in tax revenues due to the economic depression. As expressed by journalist Azis Ahmed in his column in Jornal do Comercio, "Since the time when the Venetians bankrupted 'the banking system' of the bankers who did not honor the deposits of their clients . . . it is universally known that banks can also crash from an excess of funds: If they pay more interest than they receive, bankruptcy is just a question of time. The balance of dollars which is running through the country is forcing the Central Bank, because of its monopoly on exchange, to issue securities for the purchase of these dollars. . . . If the stratospheric interest rates continue, the economy is going to go

The bubble will burst, and the circus put on by the pet dogs will end in the generalized bankruptcy of the country.

bankrupt."

Andean Report by Luis Vásquez Medina

No stopping Peru's year-end crisis

President Fujimori is motoring along with the IMF model, even as it careens toward a crash.

■ he announcement of the trade deficit for the first half of 1995, which by reaching \$1.099 billion surpassed the deficit for all of 1994, has redoubled fears that a collapse of the foreign accounts of Peru will sink the International Monetary Fund (IMF) model being imposed on the country, by no later than the end of this year. The National Society of Exporters, at a press conference on Aug. 28, predicted that by year's end, the trade deficit will reach the historic level of \$2.7 billion. The general director of the society admitted to this author that if the government does not succeed in selling—at a very good price—the Stateowned oil company PetroPeru, then the crisis of the external sector will choke the Peruvian economy before 1995 is out.

However, in the face of the imminent crisis of his model of economic "opening," Alberto Fujimori's government has only dared to prescribe more of the same "medicine" which has been killing the sick Peruvian economy. As appears from Mr. Fujimori's second inaugural address and recent laws passed by the Peruvian Executive, the government is trying to deal with the risk of a Mexican-style crisis in Peru by applying, in accord with the latest IMF advice, the socalled Chilean model: that of a raw materials exporting economy, financed mainly by a system of forced internal savings, which would generate enough currency to be able to comply with the growing payments on foreign debt.

In his recent inaugural address, President Fujimori said that in his second term, one of his priorities will be to convert the system of Private Pension Funds into a forced savings mechanism as in Chile. The land law promulgated at the end of July goes in the same direction. It will permit the alienation and mortgaging of all the farmland in the country, with the explicit intention of converting it to food-export agriculture.

This is a monumental folly, when we are talking about the worst-fed country on the South American continent, and we are in the middle of one of the worst food crises in history. The same "Chilean" orientation is seen in the recently passed law for labor "flexibility," which goes so far as to allow instant firing. The government has wanted to set the pattern, by imposing a system of "evaluation" every six months, which implies an oral or written examination. This kind of labor "flexibility" is not only ruining labor productivity in this sector, but has already caused numerous deaths, including suicides, among Peruvian public workers.

The Peruvian minister of economics, Jorge Camet, in his recent presentation to the Congress, responding to ever more intense demands from the business and trade union layers of Peru, said that the "crystallization" of foreign investments in mining will make Peruvian exports rise, and this will solve all the country's current accounts woes. By his reckoning, these exports will reach \$8 billion within a few years, and thus, the minister claims, the specter of the "tequila effect"—the risk of a Mexican-style crash—will go away.

Such predictions are nothing but hot air if the following factors are taken into account. First, the so-called foreign investments in Peruvian mining are to a large extent on paper, purely movements on the stock markets by major international speculators like Newmont Mining, George Soros, Marc Rich, Placer Dome, and Rio Tinto Zinc. The only objective is to take over the principal titles of the mines and the rights to existing mining deposits in Peru. Second, the effective investments which are being made into Peruvian mining will take at least four years on average to begin to increase national mining production.

Moreover, because of the privatization process, national assets and patrimony are practically being given away to foreign speculators. For example, on Aug. 25 the Peruvian government sold the concession of the important gold prospectus of San Antonio de Poto for the paltry sum of \$5 million. On May 6, 1992, the London daily *Financial Times* had said that this mine had "vast deposits . . . the biggest in Peru," and that its selling price was expected to be over \$22 million.

Perhaps because within the Fujimori government there is a deep-down hunch that its economic model is about to blow up, the blame is being thrown on alleged "overpopulation." In the words of the Archbishop of Ayacucho, Monsignor Cipriani, the government, out of "desperation," has started to throw up the smokescreen of "explosive" population growth, to explain what is coming. After all, as Bishops Artale and Garaycoa have indicated, in their respective dioceses of Huanuco and Tacna, the International Monetary Fund finds it far more convenient to blame poverty on population growth than on foreign debt. So far, President Fujimori is playing their game.

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Business Briefs

Africa

State role in mining curbed as hoarding grows

Legislation to limit State involvement in mining is being considered in 27 African countries, the *Journal of Commerce* reported in July. The changes are being pushed at a time when the British monarchy-led oligarchy is shifting funds out of the collapsing international financial system and into hard commodities, and come amid allegations that the oligarchy's effort to tighten its control on strategic materials is behind demands on Third World nations to privatize State-owned industry.

Stuart Comline, general manager of exploration at Johannesburg Consolidated Investment, told a mining conference in Sydney, Australia in early July, that there had been a number of important developments that have led to a renewed interest in the African mining industry, including that laws are being changed to ensure security of tenure, repatriation of profits, and limitation of State involvement in mining. He noted that many of these deposits were discovered before 1950. "What started as a trickle of exploration by investors in the 1980s has led to near flood proportions more recently in certain areas," he said. He noted that there is now limited ground available for prospecting licenses in the gold and diamond belts in Ghana, Mali, Burkina Faso, Tanzania, and Zimbabwe.

Spain

Severe drought is destroying crops

The unprecedented drought that has hit Spain this year will depress harvest yields, according to reports in the Spanish dailies *País* and *El Mundo* on Aug. 24. The crop failures come amid growing world food shortages.

The drought is affecting 13 of 17 provinces and has led to severe water shortages, with Andalusian dams and rivers at only 9% of capacity; the island of Mallorca and parts of the Canary Islands are receiving drinking water by cistern-boat. There has been an increase in forest fires, from 4,000 in the 1980s to 10,000 in

1995 alone, which have destroyed approximately 432,000 hectares.

The crops worst hit by the drought have been cotton, olives, maize, and cereals. While the cotton-growing area in the Seville region is normally 100,000 hectares, it is 30,000 this year. The olive harvest, normally 550,000 tons, now is at 250,000 tons. Maize (corn, used for cattle fodder), normally 9 million tons, in 1995 is expected to be 2 million tons.

Spain is one of the biggest winter cereal producers in Europe, with two or three harvests a year. This year, wheat will be only 3.2 million tons, compared to the normal 6 million tons. The 1995 harvest will be the lowest in the last quarter-century.

Spain is one of the largest producers of soft fruits and vegetables in Europe. Out of 4.7 million hectares of woody plantations, 80%, or 3.5 million hectares, are threatened. Out of 800,000 hectares under orchard, 600,000 may die

According to the Aug. 21 Agra-Europe, water is being rationed under an emergency; in some regions, water is only supplied for as little as two hours a day. Waterworks in Andalusia and the Balearic are looking to buy water in northern Europe and to transport it there by ship.

Economic Policy

British to aid Cuba, by teaching Adam Smith

The British government plans to finance tax collection and the teaching of Adam Smith by the Fidel Castro regime in Cuba, as the first official aid provided to Cuba in over 20 years, according to wire reports on Aug. 23. Ironically, Marxism and Smith's free trade are both variants of British System economics.

Britain's Ambassador to Havana Philip McLean announced the week of Aug. 21 that he will allocate the first \$121,000 of a special \$230,000 fund for "development" projects in Cuba, named the British Partnership Scheme, to, first, finance computers and printers for Cuba's new National Tax Administration Office, which is charged with gradually introducing tax collection into Cuban life. (Two British tax and budget experts from De Montfort Uni-

versity are already advising the Finance Ministry on a tax system.) Second, to provide teaching material for Cuba's Economics and Planning Ministry on national accounting, marketing, and free trade economics.

The British "Partnership Scheme" for Cuba was set up last January, after the two governments signed an Investment Promotion and Protection Agreement. In September, British Minister for Science and Technology Ian Taylor is expected to visit Cuba for a second time.

Health

South Africa medical services face collapse

Dr. Olive Shisana, South Africa's director general of health, warned on Aug. 7 at an international policy conference on health in Somerset West, South Africa, that the country's health services are in a precarious state, *Beeld* reported in an article entitled "State Medical Services Facing Collapse."

Shisana said her department will not be able to use the 228 million rands allocated to build clinics. This may be related to the "strings of resignations" faced by many hospitals, which doctors at the conference attibuted to the tremendous pressure under which they work. Several hospitals within the borders of the former Transvaal have recently cut back medical services to the bare essentials. At Klerksdorp Hospital, 19 medical officers on the permanent staff have resigned in the past three months. At Potchefstroom Hospital, six of the 10 doctors' posts are vacant; another two doctors were expected to resign by the end of August.

Klerksdorp Hospital Superintendent Dr. Jan Doevendans admitted that the shortage of doctors is "worse than ever." At Pretoria West Hospital, all the doctors on permanent appointment have resigned in the past four months; Hospital Superintendent Dr. Wim Klooster said the workload on medical personnel has increased 100% overthe past year. Rustenburg Hospital has a 30% shortage of doctors, while Tshepong Hospital, with 274 beds, has only four doctors to attend to patients.

Trade

Iran and Zimbabwe sign economic deals

Iran and Zimbabwe have agreed to set up joint projects for housing construction, dam building, textile mills, and in other economic, cultural and technical areas, the two governments announced in a joint communiqué issued in Harare, Zimbabwe on Aug. 20, the Iranian news agency IRNA reported.

Iranian Foreign Minister Ali Akbar Velayati, on the second stop of a trip that has also taken him to South Africa, met with Zimbabwe's President Robert Mugabe. In a television interview, Velayati noted, "Recently, relatively wide-ranging economic relations have been initiated between Iran and Zimbabwe. The fields of cooperation, for which some preparations have already been made, are agricultural machinery exports by Iran, in particular tractors produced in Iran, the purchase of Iranian household goods by Zimbabwe, cooperation in textiles, and the purchase of Zimbabwean farm products by Iran."

Velayati noted the importance that Iran ascribed to his visits. "An expansion of ourrelations with those countries . . . plays a great role in the expansion of our relations with black Africa." he said.

United States

Utilities threatened by greens, free marketeers

Many electric utilities in the United States could face bankruptcy, unless they shut down generating capacity, if the total deregulation of the industry goes into effect, according to "Stranded Costs Will Threaten Credit Quality of U.S. Electrics," a report released, by Moody's Investors Service in mid-August.

The report explains that the industry will have "stranded costs," i.e., fixed (or capital) costs that will not be recovered by being included in the rate base, of at least \$135 billion. (Beginning in the 1970s, regulatory agencies have not allowed the recovery of all costs.) The

most capital-intensive utilities, such as those that have nuclear power plants, will have to keep prices low to be "competitive" with utilities that, for example, may have much cheaper hydroelectric power. If deregulation is put into place, Moody's estimates that there are at least 10 nuclear plants that might be closed.

While capital-intensive nuclear plants are under attack through deregulation to create a "free" market, the August issue of the National Coal Leader, published by the U.S. coal industry, warms that electric utilities which burn 600 million tons of coal, are threatened if more stringent air quality standards go into effect. The standards stem from the amendments to the Clean Air Act, passed with the blessings of then-President George Bush. The 600 tons is about half of the coal burned by utilities. In total, coal produces nearly two-thirds of the electricity in America.

Mone y Laundering

Shut down offshore havens, says official

The director of New Zealand Serious Fraud Office, Charles Sturt, said he would like to have all offshore hot money and tax havens shut down, in testimony to New Zealand Parliament's select committee on justice and law reform, the July Offshore Financial Review reported.

"From a law enforcement perspective, I would, perhaps unrealistically, like to see all tax havens closed down," Sturt said. "After all, their primary purpose is to either avoid taxes or launder tainted money. There can be no moral or lawful justification for the existence of such offshore banking facilities."

Sturt told the committee that he was aware of at least NZ 170 million dollars (\$113.4 million) that was laundered through South Pacific tax havens by "corporate individuals" in Australia and New Zealand, but the one major obstacle to the work of his office was the impossibility of obtaining evidence from the offshore centers in the South Pacific and the Caribbean.

Briefly

- HALF of the 59,000 bank branches will be shut down, and 450,000 of 2.8 million banking jobs will be eliminated in the United States over the next 10 years, because of mergers and acquisitions, according to a study by the accounting firm Deloite and Touche, the Aug. 21 New York Times reported.
- SOUTH AFRICA has concluded a nuclear technology deal with Iran, South African Foreign Minister Alfred Nzo announced on Aug. 21. "What was at stake was isotopes for peaceful purposes," he told a press briefing.
- POTATOES are in short supply in Europe, and prices are "exploding," the Aug. 19 Berliner Zeitung reported. Prices that were as low as DM 5 (\$3.10) per 100 kg in recent years, were DM 63 in late August. Low prices for several years has forced many farmers to give up this crop.
- CHINA will build a commercial town, Dongning, in Heilongjiang Province on the Russian border, to facilitate the acquisition of CIS, mainly Russian, and eastern European goods for the Three Gorges Dam, the Hongkong paper Ching Chi Tao Pao reported on July 3. Mining machinery, transport vehicles, construction materials, and nonferrous metals in particular will be needed.
- SWEDEN'S second largest bank, SE-Banken, reported a pre-tax loss of \$63 million, owing to a set aside for possible losses on derivatives contracts which, in many cases, do not expire before 1997, meaning losses can still accumulate. Two years ago, the bank had opened talks for a possible state rescue.
- A HARVARD University study on the Middle East says that "by giving water a monetary value," and letting prices rise sharply, new desalination facilities would be unnecessary, according to sympathetic coverage in the Aug. 17 London Financial Times.

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EIRScience & Technology

The DDT ban: ecologism as a weapon of mass destruction

Before the use of DDT, in India alone, 2.5 million died of malaria each year. After its introduction, deaths dropped to 1,000. Marjorie Mazel Hecht reports on the hoax that banned this life-saver.

Directly and indirectly, environmentalism is responsible for the deaths of millions of people each year, most of them in the Third World.

As a successful population control measure, environmentalism has no rival. The case study of the ban on DDT, presented here, shows why this is so. The DDT story shows how a policy that intentionally results in millions of *annual* deaths from disease and starvation—surpassing by far the Holocaust death toll—was imposed in the United States, top down, to be carried out in the name of "protecting the environment."

The environmentalist kill factor is based on a simple principle. Advances in science and technology increase productivity and increase the numbers of people that can be supported by an economy. People live longer and better. If the advanced technologies come under attack—for whatever spurious reason—and are stopped, productivity falls, more people die, and more people die younger.

The specific environmentalist kill factor depends on the importance of the banned or restricted substance or activity for moving the society forward. The ban on DDT has a high environmentalist kill factor; restrictions on advanced energy technologies (nuclear energy, for example) have an even higher environmentalist kill factor. Cutting out more and more benefits of technology over the past 25 years has vastly increased the effectiveness of the environmental kill factor by lowering living standards and, hence, resistance of the population, particularly in the Third World, so that they are easy prey for new and old pests and diseases.

DDT was banned in the United States in 1972, not on the basis of scientific evidence, but on the basis of scare stories invented and perpetuated in order to shape public perception

that DDT was bad for wildlife, plant life, and human life. The real reason for the ban was that in the three decades after World War II, DDT had become the greatest life saver in human history. It was cheap (17¢ per pound), safe, and effective in killing the insects that carry lethal diseases and decimate crops. For these reasons, DDT was at the top of the malthusian list of technologies to eliminate.

During the war, DDT helped soldiers at the front survive without lice, fleas, and other pests that carry disease—typhus, for example—or just plain make life miserable. For those displaced persons who managed to survive the war, it prevented the spread of insect-borne epidemics in the crowded refugee camps. In contrast, during World War I, before DDT was in use, 40 million people had typhus on the European fronts, and there were 5 million typhus deaths.

In the immediate postwar period, DDT aided development efforts worldwide by making it possible to protect crops from pests and thus increase yields. At the same time, DDT spraying prevented many diseases, in particular malaria, which is known as "the queen of diseases" because it affects so many millions in tropical countries, weakening or killing its victims. It is estimated that agricultural production increases as much as 40% where malaria is controlled.

Contrary to the myths promoted by environmental groups and the press, DDT does not cause cancer in humans, does not cause birds' eggshells to thin, and is not long-lasting in the soil or in ocean water. DDT also does not cause emasculation—the latest in a long series of scare stories (see accompanying article). In all the years of DDT usage, there were no human deaths caused by DDT use; none of the estimated 130,000 spray men during the years of DDT use ever got sick from it.

How did the ban happen?

How did a beneficial man-made substance, one acknowledged to be the greatest saver of lives in history, come to be banned?

The story goes back to 1962, when biologist Rachel Carson published *Silent Spring*, a diatribe against pesticides and, in particular, against DDT. Carson wove facts and falsehoods together to portray a world that would soon be devoid of birds, bees, and wildlife in general, because of indiscriminate pesticide use. Supporting Carson were the malthusian elite, including a showcase for her propaganda in the *New Yorker* magazine and support from the publisher of *Consumer Reports*. In the next few years, groups like the Environmental Defense Fund, the Audubon Society, and the Sierra Club used Carson's emotional appeals to recruit members and raise money—lots of money.

By 1971, the Environmental Defense Fund (EDF) had forced the Environmental Protection Agency to hold hearings on DDT. There were seven months of hearings and 9,000 pages of testimony, at the end of which the EPA hearing examiner, Edmund Sweeney, ruled in April 1972 that on the basis of the scientific evidence, DDT should not be banned. "DDT is not carcinogenic, mutagenic, or teratogenic to man, [and] these uses of DDT do not have a deleterious effect on fish, birds, wildlife, or estuarine organisms," Sweeney ruled. Every major scientific organization in the United States and worldwide had testified for continued DDT use.

Two months after the hearings, EPA Administrator William Ruckelshaus unilaterally banned DDT. He admitted that he was doing so for *political* reasons, based on the public perception of DDT and not on the scientific evidence. Ruckelshaus was not present at the hearings, and he said that he did not look at the transcript.

Had Ruckelshaus read the DDT hearing transcript, he would have seen, among other things, that the testimony presented by the witnesses for the EDF, a group he personally supported, was shoddy and, in some cases, deliberately false. For example, Dr. George Woodwell, testified about a 1967 article in *Science* magazine, coauthored with the EDF's chief scientist, in which he reported very high residues of DDT in a Long Island salt marsh. When forced to testify under oath at the DDT hearings, he admitted that he had sampled the salt marsh in the very place where the Mosquito Commission spray truck emptied out! When asked if he ever published a retraction, he stated, "I never felt that this was necessary."

Almost unanimously, the press pushed the lies about DDT. The *New York Times* unabashedly advised in an editorial that EPA Administrator Ruckelshaus should ignore the verdict of the EPA's hearing examiner. The *Times* also libeled the scientists defending DDT. When a group of scientists, including Tom Jukes and Gordon Edwards, challenged the lie printed in the *Times* on Aug. 14, 1972, that

they were in the pay of big industry, the scientists won the libel suit. But that verdict was then overturned on appeal by a judge who was a personal friend of Arthur Ochs Sulzberger, publisher of the *Times*.

The death toll

Dr. J. Gordon Edwards, professor of entomology at San Jose State University in California, conservatively estimated in 1984 that 100 million people die per year as a result of the anti-pesticide campaign by environmentalist groups. Edwards, who has taught biology and entomology at the university for 46 years, is one of several scientists who have continued to fight the lies about DDT.

"I can't see any good reason for these actions except that the environmentalists intend to cut the population in the poorer nations of the world," Edwards said.

The death toll from malaria alone, as catalogued by Edwards, is staggering. In India, before DDT, there were more than 100 million cases of malaria and the disease killed 2.5 million people each year. After the government initiated a DDT spraying program, the number of cases dropped to fewer than 100,000, with fewer than 1,000 deaths per year. After the ban on DDT, the numbers of malaria cases and deaths began to climb. ¹

The pattern was similar in other nations. Sri Lanka (formerly Ceylon), for example, had 3 million cases of malaria in the early 1950s, and more than 12,000 deaths. Spraying started in 1946. By 1963, the total number of malaria cases was only 17, and there were no deaths. When the spraying program stopped, the malaria rates again climbed into the millions

Edwards calculated that in Africa alone, the cost of health care, as a result of malaria, plus the loss of human resources,

What is DDT?

DDT, dichloro-diphenyl-trichloroethane, belongs to the family of pesticides known as chlorinated hydrocarbons. It is a contact insecticide that penetrates the external body surface of the insect (the cuticle) and acts as a nerve poison, killing rapidly. Its particular effectiveness is its staying power. In the malaria eradication campaign, one or two sprayings a year of walls inside houses would control the mosquito population.

Because DDT was nontoxic to human beings, those doing the spraying did not need special clothing or masks.

The replacements for DDT are more toxic, more costly, and less effective.

What the scientists say about DDT

The National Academy of Sciences, 1970: It is estimated that, in little more than two decades, DDT has prevented 500 million human deaths, due to malaria, that would otherwise have been inevitable.

Wayland J. Hayes, Jr., Toxicology of Pesticides, 1975: When DDT was introduced, there was an unprecedented increase in the production of those crops on which it was used, and the increase corresponded to the degree of its use. Crops such as cotton, peanuts, and potatoes, on which pesticides are used most extensively, showed gains ranging from 68 to 119%. The production of alfalfa seed increased from 300 to 600% in states where the crop was treated intensively with insecticides, but remained essen-

tially stable in states where the crop is raised for hay and, therefore, receives little treatment with insecticides.

Dr. Ed Remmers, American Council of Science and Health, 1993: DDT has certainly saved more lives than any other man-made chemical that has ever been made so far. . . . Who are the opponents of DDT? It's the antipopulation group, by and large, the people who are trying to promote zero population growth, or the people who would like to reduce the Earth's population back down to 1 billion. . . . There are groups out there that have this policy of actual genocide.

Dr. J. Gordon Edwards, 1993: DDT saved hundreds of millions of acres of forest in North America from decimation by gypsy moths and other insect pests, and thereby prevented extensive flood damage and loss of topsoil. . . . In the 1950s, DDT eradicated gypsy moth populations in the eastern United States wherever it was properly applied.

would reach \$213 billion this year.

Malaria may be the "queen" of deadly diseases, but DDT also controlled other insects that transmit killer diseases that affect millions: for example, the tse-tse fly, which causes sleeping sickness; the black fly responsible for "river blindness"; and the sand flies that cause leishmaniasis.

According to malaria specialist Dr. Hans Lobel at the Centers for Disease Control in Atlanta, Georgia, there are 200 to 300 million cases per year of malaria.

Hoax 'mother'

The campaign against DDT was the "mother" of many environmental hoaxes that followed, from louseworts endangered by a dam, to Alar, to global warming and the ozone hole. The pattern is the same: A catastrophic scenario is put forward from the top down, the environmentalist groups campaign around it, and the media promote it via their "news" coverage. No matter how wild the scenario, once it is repeated often enough, people come to accept it as "fact."

How many people today know that the official decision made at the EPA hearings on DDT in 1972 was *not* to ban it? Even former EPA Administrator William Ruckelshaus, just last year, wrote a letter to the editor of the *Wall Street Journal* asserting that the science was on his side in the DDT ban—an outright lie. And in this year's celebration of the 25th anniversary of Earth Day, the current EPA administrator put the DDT ban at the top of her list of environmental "accomplishments" of the past 25 years.

The underlying motive in the anti-DDT campaign, as

in every other green campaign, was and still is population control. The genocidal views of England's Prince Philip, who sits at the top of the chain of command of the world's green groups, are amply documented in his own words.²

Other malthusians have been just as frank, from Alexander King, who co-founded and heads the Club of Rome, to the director of the Sierra Club, Michael McCloskey, who said in 1971: "The Sierra Club wants a ban on pesticides, even in countries where DDT has kept malaria under control. . . . By using DDT, we reduce mortality rates in underdeveloped countries without the consideration of how to support the increase in populations." Even more blunt, according to a report by entomologist J. Gordon Edwards, was the chief scientist for the Environmental Defense Fund, Dr. Charles Wurster. When Wurster was asked by a reporter whether the DDT ban would result in the further use of more toxic insecticides, he replied: "So what. People are the cause of all the problems; we have too many of them; we need to get rid of some of them, and this is as good a way as any."

Can the environmental kill factor be reversed? The answer is yes. The first step is to tell the truth about the consequences of environmentalist policies—the real death count. Instead of saving this or that cute animal, save human beings, who are, after all, the only creative resource this planet has.

Notes

- 1. See J. Gordon Edwards, "Malaria: The Killer That Could Have Been Conquered," 21st Century Science & Technology, Summer 1993.
- 2. See "The Coming Fall of the House of Windsor," Special Offprint, November 1994, *Executive Intelligence Review*, pp. 20-23.

DDT, DDE, and population increase:

by Thomas H. Jukes, Ph.D.

The latest DDT scare story, that its metabolite, DDE, causes emasculation, is ridiculous and unsubstantiated. The author is a professor of biophysics in the Department of Integrative Biology at the University of California at Berkeley.

By prevention of tropical diseases, especially malaria, DDT is considered to have made a major contribution to population increase. For example, Alexander King, a founder of the Club of Rome, stated: "In Guyana, within two years, [DDT] had almost eliminated malaria, but at the same time the birth rate had doubled. So my chief quarrel with DDT in hindsight is that it has greatly increased the population problem."

S.W. Simmons noted in 1959: "The sociological changes brought about by DDT are only beginning to be apparent. In some countries, Madagascar for example, the population has doubled since 1947, although it had been practically stationary for years previously. A DDT malaria campaign was initiated in Madagascar in 1949 and is largely credited with the population increase. This is no isolated phenomenon."

In Afghanistan, "in the town of Pulikhanuri, where the total population had been 5,000, improvement in health conditions resulted in an increase in the population to 20,000."³

The records show that in country after country, mortality decreased greatly when DDT was used for controlling malaria, and nowhere are there reports of demasculinization as a result. We are now told that DDT, through its metabolite DDE, may be a demasculinizing agent ^{3,4} and that "its ubiquity in human fat may be responsible for falling sperm counts and other reported abnormalities of male reproduction." Also, testicular cancer is mentioned as possibly "linked with" DDE. Our old friend "the tip of the iceberg" is invoked. (Probably we shall soon hear of the opening of Pandora's box.)

The effects of high levels of DDT in human beings were reported by the U.S. Public Health Service. 5.6 Laws et al. found that workers in a DDT factory had a daily average intake of DDT about 440 times as high as that of the general population in 1965. The clinical findings did "not differ significantly from those one might expect in a group of similar age and economic status with no occupational exposure to DDT." The married male workers had an average of 4 children per family. The largest families had as many as 13 children, and the (male) supervisor had 8.

Inhabitants of Triana, Alabama ingested fish containing levels of DDT plus DDE up to 627,000 parts per million

(ppm), because residues of DDT were present in a local river. The main measurable effect was an increase in gamma glutamyl transpeptidase (GT) in the blood. A report by the U.S. Public Health Service said, "The effect on GT is small and probably does not affect well-being."^{6,7}

R. Pal reported that the average lifespan in India was 47 years, as compared with an average of 32 years before the malaria eradication campaign, in which 147 million pounds of DDT were used.⁸

Ottoboni et al. found that DDT *improved* reproductive performance in multigenerational studies with rats and dogs. ^{9.10} The DDT used by Ottoboni contained 2% DDE. She commented that the reproductive performance of 52-week-old rats indicated that "DDT may also exert a protective effect against age decrement of the reproductive process." The rats received up to 200 ppm of DDT, including 4 ppm of DDE, in the diet. Her studies with beagle dogs were through 3 generations which produced 650 pups. ¹⁰ "There was no effect of DDT (1 to 10 mg/kg body weight/day) on morbidity, mortality, gross or histologic findings in any of the dogs." ¹⁰

No regard for evidence

Despite the abundant evidence to the contrary, *Nature* magazine published an editorial titled "Masculinity at Risk" with a subhead stating, "The discovery that the major metabolite of DDT may damage male reproduction deserves attention." The editorial states that there is a possibility that the ubiquity of DDT in human fat "may be responsible for falling

Tired of scientific hoaxes?

For more on the DDT hoax, consult the following back issues of 21st Century Science & Technology magazine (available at \$5 each, or, to subscribe, six issues, \$25 [\$50 foreign airmail]; 12 issues, \$48 [\$98 foreign airmail]; send check or money order [U.S. currency only] to 21st Century, Dept. E, P.O. Box 16285, Washington, D.C. 20041):

- "The Lies of Rachel Carson," by Dr. J. Gordon Edwards, Summer 1992.
- "Malaria: The Killer That Could Have Been Conquered," by Dr. J. Gordon Edwards, Summer 1993.
- "DDT, The *New York Times*, and Judge Irving Kaufman," by Dr. Thomas H. Jukes, Spring 1992.

Also, see "Save the Planet's Humans—Lift the Ban on DDT," *EIR*, June 19, 1992.

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The latest big lie against DDT is that DDE, one of DDT's breakdown products, damages male reproduction. The evidence? Shrunken alligator penises! (Whatever happened to "small is beautiful"?) The lack of evidence of a connection between DDT and emasculation in wildlife did not stop the propaganda aimed at males among the hoaxprone human population. In the United States, the National Public Radio news broadcast on the subject included the warning to men not to eat imported fruit from countries such as Mexico that might still use DDT.

sperm counts and other reported abnormalities of male reproduction. . . . The plain truth [sic] is that it would be more alarming if the recent increase in the rate of testicular cancer (which Denmark is taking seriously), were linked with p,p'-DDE and were the tip of a larger iceberg."

In the same issue, there is a comment by R.M. Sharpe, embellished by a photograph of a plane spraying DDT over Athens in 1946, saying that "only 20 or so years [after World War II] was it realized that DDT was environmentally disastrous, as portrayed in Rachel Carson's *Silent Spring*." 11

Portrayal does not necessarily mean proof.

Sharpe continues to expound on the increase in testicular cancer, the introduction of estrogenic chemicals, including o,p'-DDT, an isomer of DDT, and "some modern pesticides" (unnamed) which "could have exerted effects then," in the period from the 1940s to the 1960s, "on developing males which have only become apparent in more recent years."

But why were no effects found earlier under conditions of high exposure to DDT?

Sharpe continues by citing the case of male alligators in Lake Apopka in Florida which "contain high levels of p,p'DDE and have abnormally small penises, amongst other reproductive changes." He says that "perhaps the most remarkable aspect of the findings of Kelce, et al. (*Nature* 375: 581-585, 1985) is that it has taken 50 years to discover that the main metabolite of DDT is an anti-androgen."

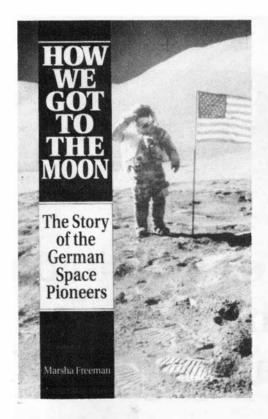
Sharpe, however, fails to list the dosage of DDE employed by Kelce, et al. ¹² This dosage (on rats) was 100 milligrams (mg) of DDE per kilo of body weight per day, administered by gavage during gestation or in weaning (21-day-old) male rats until 57 days of age.

Twice this dosage was used for 120-day-old adult male rats.

A level of 100 mg of DDE per kilo of body weight per day is 7 grams per day for a 70 kg human being—about 170,000 times the 1965 intake of DDT in the general population. The levels of DDE, according to Wolff, et al., ¹³ are 10 nanograms per milliliter of blood in recent studies with human beings—far below the levels studied by Kelce et al., who seem to have forgotten that "the dose alone makes the poison."

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Fig. Feature

Permindex revisited: British threaten Clinton and Chirac

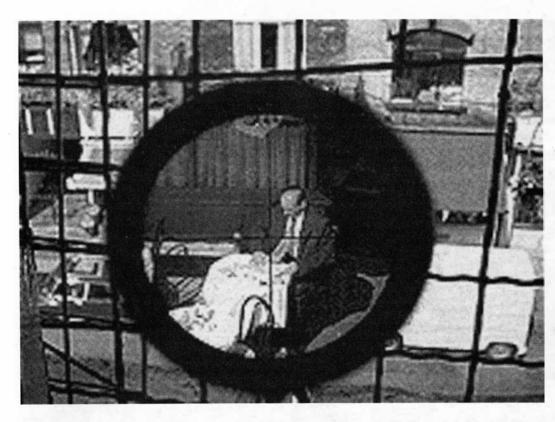
by Mark Burdman

The same networks of the British monarchy that were responsible for the assassination of U.S. President John F. Kennedy in 1963, and for repeated assassination attempts against French President Charles de Gaulle in the early 1960s, have been activated, now, to target the current Presidents of the United States and France for assassination. In August, both U.S. President William Clinton and French President Jacques Chirac began to receive explicit death threats, from so-called "environmentalist" operatives, acting under the command of the World Wide Fund for Nature (formerly World Wildlife Fund). The WWF's international president, and chief mainstay, is the British royal consort, Prince Philip.

In the early 1960s, the monarchy's assassination bureau was centered in an organization called Permindex, a shortened form of Permanent Industrial Expositions. This was the group that was expelled from France by de Gaulle, because of its repeated efforts, in league with the Secret Army Organization (OAS), to kill the French President. It was also the group, investigated by New Orleans District Attorney Jim Garrison, for its role in the murder of President Kennedy. The chief figure in Permindex, Louis Mortimer Bloomfield, was based in Montreal, and was a senior operative in the British intelligence services. He was also a member, until his death in the 1970s, of the 1001 Club (today 1001 Nature Trust), the secretive group of millionaires from around the world that funds Prince Philip's WWF. (See article, p. 27.)

At the time of JFK's murder, he and de Gaulle were developing an important, positive working relationship. In conjunction with the policies of West German Chancellor Konrad Adenauer and Italian oil magnate Enrico Mattei (who was also assassinated), this Kennedy-de Gaulle relationship had the potential of unleashing a new era of development and progress across Eurasia, to the certain disadvantage of British imperial interests.

Today, the British oligarchy is obviously upset, that the recent election of Chirac as French President, and his shift in orientation on crucial issues from that



In this scene from the British television commercial "The Day of the Jacques," an assassin closes in on French President Jacques Chirac.

of former President François Mitterrand, is producing a significant potential threat to British interests across the globe, especially as this change in France coincides with the known anti-British outlooks and views of the American President. Aside from the much-publicized issue of nuclear testing, and probably of much greater concern to the British, have been Chirac's warnings, made at the Group of Seven summit in Halifax in June, of the dangers of financial speculation as "the AIDS of the world economy," and his support for a more robust anti-Serbian policy. This demonstrates a potential, as we head toward times of dramatically worsening financial and strategic crises, for the American and French presidencies to act, in concert, in defense of sovereign nations, and against British supranationalism, across the globe.

On July 25, the French daily *Le Figaro* had referred to an "Entente Cordiale" between the two Presidents. The article was undoubtedly read as a slap in the face by the British elites, who have been striving, frantically, over the past few years, to revive the pre-World War Anglo-French Entente Cordiale, against the U.S.A. and unified Germany.

'Chirac is the target'

The parallels between the early 1960s, and now, are eerie. Starting in mid-August, a video "commercial" began to be circulated around the world. News clips about it have appeared on European television. The filmmakers want to show it at 200 movie houses in Great Britain, but the authorities responsible for censorship in the U.K. have not yet, as

of this writing, approved it for circulation. Meanwhile, its content is being made available, globally, via Internet.

Designed ostensibly as a protest against the French nuclear tests in the South Pacific, the "commercial" is modelled on *The Day of the Jackal*, the movie version of the book by spy-thriller writer Frederick Forsyth, on the theme of the Permindex-coordinated OAS attempts to kill de Gaulle. The "commercial" is titled, "The Day of the Jacques," a reference to Jacques Chirac.

The "commercial" depicts a man loading his gun, in a scene directly lifted from *The Day of the Jackal*. Through the cross-hairs, the viewer sees, not de Gaulle, but "Jacques Chirac" (played by an actor). "Chirac" is sitting at a cafe, drinking French wine. As the cross-hairs move from his face, down to his groin, the caption reads: "There is only one way to prevent Jacques Chirac from pursuing his program of nuclear tests in the South Pacific. That is to hit him where it really hurts." By the time this sentence is finished, the gun is pointing to "Chirac's" groin. Then, a shot goes off, the wine bottle is hit, the screen is hit by a splotch of red liquid looking like blood, and the caption reads, "Drop a bomb on Chirac's plans. Boycott French wine."

The circulation of the video comes at an extremely sensitive time in France. The country is being hit by a wave of terror attacks, being attributed, at least publicly, to "Islamic fundamentalist" groups. The point has not been missed in France, that most of these groups, such as the Islamic Armed Group (GIA) of Algeria, have key operational headquarters



International press coverage of the threat to Presidents Clinton and Chirac: The Washington Post on Aug. 19 featured the photo of the 21-chainsaw "salute" to President Clinton, by environmentalists in front of the White House, with the World Wide Fund for Nature's panda logo prominently displayed. The Aug. 1 issue of the Earth First! Journal issues a call to arms against Clinton. The London Observer on Aug. 27 comments on French responses to the film "The Day of the Jacques."

in London.

In a mid-August interview with the French weekly VSD, Alain Le Caro, the head of the GSPR presidential security unit during Mitterrand's tenure in office, warned that, "after the two bombings we have gone through, the life of President Chirac is threatened." He said that the President's security "is insufficiently assured."

While there has been relatively little public comment or complaint in France about the "commercial," reports from France are that many influentials are furious at the British for putting this atrocity into international circulation. The evercautious daily *Le Monde*, in a dispatch from London on Aug. 26, characterized the film as "virulent." The paper warned, that it could have negative repercussions on Anglo-French relations, and reverse the trends, in past years, toward closer bilateral ties.

This reaction will likely become more virulent, it dawns on French personalities, just who and what are behind the production.

"The Day of the Jacques" was produced and directed by a London-based filmmaking venture called Media Natura, at

the request of the British Nuclear Test Ban Coalition. A senior figure in Media Natura stated explicitly, during an Aug. 24 discussion, "The issue is *not* French wine. *Chirac* is the target. We want to create a focus for the consumer campaign, not on wine, but on the government and Chirac. The idea of the film, is to *have a go at Chirac*, and stop this awful policy in the South Seas. . . . That is why it's called 'The Day of the Jacques.'

WWF deploys Greenpeace 'blood throwers'

Media Natura is not simply an ecologist-oriented film company; it is a crucial component in Prince Philip's global apparatus. It was launched in 1986-87, on the basis of a film, produced and directed by British filmmakers Chris Bligh and John Wyatt, on the subject of the WWF's 25th anniversary gathering on "Conservation and Religion," which took place in Assisi, Italy. That conference was organized, quite explicitly, to destroy the idea, developed as the central conception of the fifteenth-century Golden Renaissance, of man being made in the image of God, and to replace this with a pseudoreligious, pagan worship of "Mother Earth" (see *EIR*, Sept.

5, 1986, "Prince Philip to Set New 'Satanist Covenant' in Assisi"). The film made on that occasion, entitled "Conservation," featured the introductory speech to the Assisi gathering by Prince Philip. Soon thereafter, the Media Natura venture was formally launched.

Bligh and Wyatt were called in to make that 1986 film by Chris Rose, who had come to the WWF from Friends of the Earth. Today, Rose is the campaign director in Britain for Greenpeace, and is both a founding director, and on the board of, Media Natura.

Rose's maneuvering among the three organizations, typifies a point made by a senior adviser to Prince Philip and the WWF, in an Aug. 18 background discussion with a journalist. Praising Greenpeace as a "very powerful alternative voice" to the policies of various governments, this source described relations among the WWF, Friends of the Earth, and Greenpeace, as "an interesting triple game." The WWF, with personalities like Prince Philip at the helm, traditionally "deals on the government and business level." In meetings with government or business people, WWF representatives will let it be known that, if their "ecological" demands are not met, Friends of the Earth will unleash "popular protests." But "if that doesn't work, the WWF people let it be known, that Greenpeace could do something rather dramatic. . . . The WWF is able to make it known, that if things move rather slow on some fronts, there could be a 'suggestion' to Greenpeace, that a little bit of blood-throwing might be reauired."

He said that Prince Philip's personal attitude toward Greenpeace was very positive, he "admires dramatic action, he's very much an action man, so he likes Greenpeace's action orientation."

This source further revealed, that Prince Philip's tenure as international president of the WWF is being extended for one year. The prince was supposed to have stepped down this summer, but he was asked to stay on, to head a major fundraising drive, at a time when the profile of the WWF has "slipped." As *EIR* reported earlier this year, the WWF has been in increasing trouble, financially and otherwise. In significant part, this is due to the widespread international circulation of *EIR*'s *Special Report*, released on Oct. 28, 1994, "The Coming Fall of the House of Windsor."

Threat to Clinton

For readers of that *EIR Special Report*, it would not come as a surprise that the WWF coordinates various terrorist groups, "ecological" in nature, involved in destabilizations, murky intelligence operations, and assassinations. That apparatus is not only being deployed against Jacques Chirac, but against Bill Clinton as well.

The Aug. 19 Washington Post ran a feature on the growing mobilization of "environmental" groups and activists against President Clinton. The article includes a photo of the Aug. 1 rally of 150 environmentalist activists, including 21 environ-

mentalist leaders, in front of the White House. They are depicted brandishing chainsaws at the White House. Prominent in the photo is a WWF sign, with the WWF panda-bear logo in the middle. The demonstration was organized by the WWF. The Post wrote that "some environmental leaders... have taken off the gloves against the White House, which they feel should be taking a higher-profile stance in favor of environmental regulations." The Sierra Club's executive director, Carl Pope, whined, "Clinton is not even trying to be the environmental President. He seems to have made a political calculation that the public is not so concerned about these issues." Unable to contain his threatening tone, Pope warned, "That's a terrible mistake."

Meanwhile, the Aug. 1 issue of the "eco-terrorist" magazine *Earth First! Journal* put out a death-threat against the President. The ties of Earth First! to Greenpeace and the WWF apparatus have been amply documented (see article, p. 30).

The Earth First! Journal diatribe said, "We have no choice but to revolt" against the President, who has betrayed and abandoned environmentalism. Underneath that statement, the magazine carried the picture of a man firing a gun at a tree, with the caption, "That pioneering spirit lives on!"

The apparent trigger, but surely not the real reason, for the assassination threat against the President, was his signing the "Emergency Salvage Timber Program" into law, on July 27. The bill simply allows the Forest Service to conduct what are known as "salvage timber sales." Earth First! Journal claimed that this action is an "ecological apocalypse," against which "the Salvage Rebellion" must be organized. "It will be our duty to replace you [Clinton] with a government whose intent is to represent that [ecologist] majority."

The same edition of Earth First! Journal carried a second article, promoting the pagan-Celtic cult of "sacrificing" a leader, to celebrate the Celtic late-summer feast. This ritualistic feast of "Lughnasadah" is a "harvest festival that marks the beginning of the autumnal season. Lugh, the Celtic sun god, reached the pinnacle of his power at summer solstice. He now falls to his death, bleeding crimson light in the western sky. . . . Lughnasadah ('cutting of first wheat') is also the time of sacrifice and the time for a levelling of power. Celtic historian Margaret Murray postulates that ancient Celts ritually killed their tribal leaders every seven years" (emphasis added).

The "green" mobilization hits a President who has been, already, the most threatened President since JFK. There have been approximately 20 *publicly documented* threats to his life, since he took office in January 1993.

Who benefits?

The WWF-coordinated destabilization recalls developments in 1977, when key features of the international terrorist movement were launched, centering on groups like West Germany's Baader-Meinhof Gang and Italy's Red Brigades. The rallying cry emanating out of Rothschild-linked circles in France at that time, was: "Nuclear energy is fascism." Gangs of "green" fanatics staged large-scale antinuclear demonstrations, leading to bloody confrontations, at such nuclear facilities as Creys-Malville, in the Alsace region of France.

Leading figures who supported the development of nuclear energy, including *EIR* founder Lyndon LaRouche, were placed on target lists for assassination. The murders of German businessmen Jürgen Ponto and Hans-Martin Schleyer, and the later kidnapping and murder of former Italian Prime Minister Aldo Moro, grew directly out of that "antinuclear" mobilization.

In 1977, as now, the "green" terrorists involved in such activities were not only carrying out the feudalist designs of Prince Philip and company, but were integrally *connected to* the WWF and related institutions under the control of the British monarchy.

Such irrationalist campaigns of recent decades have been abetted by the fact, that influentials of nations, and populations in general, have come to tolerate the insane worldview expressed in such campaigns. This is the consequence of three decades of brainwashing in "post-industrial" ideology, the central feature in a paradigm shift in western countries. That paradigm shift has been a central feature, in the Anglo-Dutch monarchy-centered international oligarchy's project to obliterate the modern nation-state, and the policies associated with it, such as universal education and State-fostered scientific and technological progress. The paradigm shift began to take root after the assassination of President Kennedy, and the ensuing coverup of who was behind that assassination.

That assassination, as stated at the outset, was orchestrated by the networks of the British monarchy, through Permindex figure Louis Mortimer Bloomfield, later to become a member of the 1001 Club. The World Wildlife Fund itself was set up, in 1961, by Prince Philip, Holland's Prince Bernhard, and others, precisely to foster the belief-structure that became increasingly hegemonic, once these circles had done away with an American President who was strongly opposed to their neo-feudalist utopian designs.

British royals go berserk over LaRouche

The Windsors have lost their royal cool and launched an hysterical attack against Lyndon LaRouche and this magazine. Nine months after *EIR* published "The Coming Fall of the House of Windsor," which detailed the role of Prince Philip and the World Wide Fund for Nature (WWF) in the 1994 genocide in Rwanda, and in the sponsorship of international eco-terrorism and separatism, it seems that the Club of the Isles apparatus can no longer afford to pretend that Lyndon LaRouche, *EIR*, and the *New Federalist* newspaper don't exist.

The London Sunday Express and Sunday Times both published diatribes against LaRouche on July 30, and Lord William Rees-Mogg's American newsletter followed suit a month later. Both of the London newspapers attempted to make light of LaRouche's recent exposés of Britain's war against the Clinton presidency and the United States, Britain's past role in the assassinations of four American Presidents, and the WWF's murderous activities around the globe.

The Express story, by Tom Utley, began: "Prince Philip is the mastermind of a dastardly plan to destroy the U.S.A. His cover is the sinister World Wildlife Fund, which he founded as an international intelligence organization to consolidate the wealth and power of the Royal Family. The 'charity,' now known as the World Wide

Fund for Nature, is an assassination bureau, dedicated to breaking up the U.S. by stirring up gang warfare against the government. . . .

"No, this is not the plot of a spoof disaster movie. These are the serious views of a group of American conspiracy theorists, set out in *New Federalist* magazine."

The Sunday Times piece, penned by Washington bureau chief James Adams, was headlined, "Queen Blamed for American Unrest." It read: "According to the latest edition of the New Federalist... the [Oklahoma] bombing was not carried out by the right-wing militias as everyone suspected; it was part of a conspiracy involving Buckingham Palace. According to the journal put out by Lyndon LaRouche—in jail for tax fraud—the Queen and the Duke of Edinburgh are behind a European effort to destabilize the Clinton presidency and it is they who have created the climate of distrust and division in America."

The latest piece of venom, written by Lord William Rees-Mogg, appeared in the Aug. 20 issue of *Strategic Investment* newsletter under the title, "The Queen, the Dalai Lama, and Me." Rees-Mogg devoted his column to a nose-wagging review of one statement made by LaRouche in a July 5 interview with the radio program "*EIR* Talks," linking Rees-Mogg to recent attacks against President Clinton, and to the House of Windsor's ecoterrorist apparatus.

In the same issue of *Strategic Investment*, co-publisher James Dale Davidson, who maintains strong ties to the most radical wing of the U.S. environmentalist movement, assailed LaRouche for defending the Clinton presidency against London's assault.

Permindex oversaw assassination of Kennedy, attempts on de Gaulle

by Joseph Brewda

On Sept. 8, 1961, Col. Jean-Marie Bastien-Thiry commanded a French Secret Army Organization (OAS) team which oversaw one of the most spectacular assassination attempts on French President Charles de Gaulle. A huge mine of plastic explosives and napalm was detonated at a Parisian intersection in front of de Gaulle's oncoming car, but his skilled chauffeur drove through the sheet of flame, and de Gaulle was saved.

The Day of the Jackal, a 1973 movie by Warwick films based on the novel of Frederick Forsyth, incorporates aspects of this, and some 30 other attempts on de Gaulle. Characteristically, the killer in the thriller is "fearless" and "nameless," while the conspirators behind the attempt are unknown or even presumed to be nonexistent.

But although the real-life Bastien-Thiry was arrested, tried, and executed, without revealing his sponsors, French intelligence soon discovered that the attempt had been financed by the Permindex Corp. (Permanent Industrial Expositions) of Basel, Switzerland, and its affiliate, Centro Mondiale Commerciale in Rome. Advertised as a designer of industrial expositions, Permindex was chaired by British intelligence official Maj. Louis Mortimer Bloomfield of Montreal (now deceased). After a French government protest, Switzerland and Italy expelled the firms, which soon moved to South Africa.

On Nov. 22, 1963, Permindex oversaw the successful assassination of U.S. President John F. Kennedy, as *EIR* has documented in its book *Dope Inc*. and elsewhere. In March 1967, New Orleans District Attorney Jim Garrison filed an arrest warrant against local businessman Clay Shaw, charging him with conspiracy to assassinate Kennedy. But for a legal technicality, Shaw would have been found guilty, and his conviction would have led to the door of Bloomfield and his Permindex Corp., on whose board Shaw sat.

The Garrison investigation and trial also revealed that some of the same Permindex officials involved in the Kennedy assassination were involved in the attempts on de Gaulle. According to testimony at the trial, the Permindex funds which financed the 1961 Bastien-Thiry attempt had been conduited to Europe by Guy Banister, a former FBI agent residing in New Orleans and a close associate of Shaw, who had also played a major role in the Kennedy assassination.

EIR investigations have established that Prince Philip's

World Wide Fund for Nature (WWF), formerly the World Wildlife Fund, was the agency behind Permindex; Bloomfield was the founder of the WWF's Canadian branch. Today, targets of this apparatus are French President Jacques Chirac and U.S. President Bill Clinton. The WWF-directed Hollinger Corp., the owner of the London Daily Telegraph, oversees ongoing smears of both Presidents.

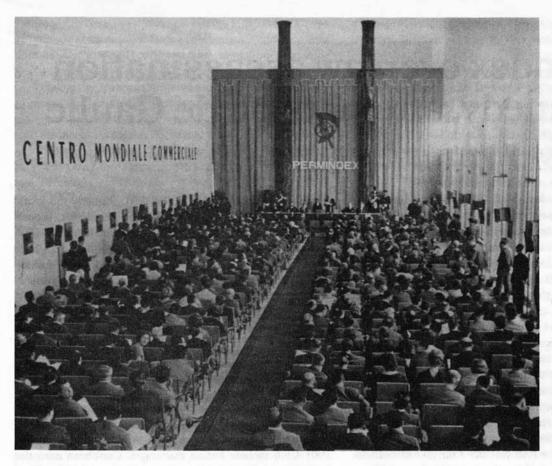
Bloomfield's WWF friends

Prince Philip created the World Wildlife Fund in 1961 to provide an umbrella for various private intelligence capabilities operating under the British royal family. Bloomfield cofounded the WWF in Canada, and served as its director and vice president. Bloomfield was also a member of the 1001 Club, which Prince Philip and Prince Bernhard of the Netherlands created in 1971 to fund the WWF. Members of the 1001 Club include Indian maharajas, Caribbean narcotics bankers, and dozens of European counts and princes. Their common characteristic is that they are either members or retainers of the British royal family or of European oligarchical families acting in collusion with the British royal family. This is the international capability which provided backup to Bloomfield's assassination bureau.

Bloomfield's career began in World War II when, as a major in the Royal Canadian Army Service Corps, he was detailed to the U.S. FBI to serve as the recruitment agent for its counterespionage division, Division Five. This curious arrangement, whereby a British (Canadian) national could occupy a highly sensitive position in U.S. intelligence, was made possible by the schemes of Prime Minister Winston Churchill's emissary Sir William Stephenson, another Canadian.

Stephenson ran all British intelligence operations in the Western Hemisphere from his base in New York City; Bloomfield was one of his agents. Stephenson had been part of Churchill's pre-war circle, and a protégé of Lord Beaverbrook, a fellow Canadian who became the British Minister of War Supply and Churchill's key adviser on propaganda and intelligence. This Beaverbrook apparatus is the "mother" of Permindex, the World Wildlife Fund, and the Hollinger Corp.

Following World War II, Bloomfield returned to Montreal to resume his law practice, but he continued to be Division



The founding meeting of Permindex in Paris, 1958. Headed by British intelligence official Maj. Louis Mortimer Bloomfield, Permindex's board included Clay Shaw, whose role in the assassination of President Kennedy was exposed by New Orleans District Attorney Jim Garrison.

Five's recruitment agent. His law firm, Philips and Vineberg, managed the Bronfman organized crime syndicate that has always functioned as a covert capability of British intelligence.

Several of Bloomfield's associates implicated in the Kennedy assassination or attempts on de Gaulle were members of the WWF's 1001 Club.

Jean Riboud, the late chairman of Schlumberger Ltd., the oil diagnostic firm owned by Dominique Schlumberger de Menil of Houston, Texas. Her husband, Jean de Menil, was a Permindex board member, and sometime employer of Jack Ruby, whose assassination of Lee Harvey Oswald facilitated the coverup of the Kennedy assassination. During World War II, de Menil ran de Gaulle's Free French forces in Venezuela, together with French anthropologist Jacques Soustelle. Soustelle later formed the OAS, which attempted to kill de Gaulle. Some of the arms used in attempts on de Gaulle were traced back to Schlumberger warehouses in Houma, Louisiana.

John S. Schlesinger: Following its expulsion from Switzerland and Italy, Permindex relocated to Johannesburg, South Africa, under the aegis of the South African-based Schlesinger. Schlesinger's firm was financed by, and was a partner with, Hambros Bank, the WWF's primary bank.

Baron Alain de Gunzberg, the French husband of Min-

da Bronfman, who is the sister of Seagram Corp. chairman Edgar Bronfman. Bloomfield was the Bronfman mob family attorney from the pre-World War II period until his death.

Edward Plunkett Taylor, the founder of Argus Corp. (now Hollinger Corp.), a postwar spinoff of the Beaver-brook/Sir William Stephenson network. The Hollinger apparatus and the Bloomfield network share personnel. For example, the Hollinger Corp. has members of the Bronfman syndicate on its board: Peter Bronfman, and such Bronfman operatives as Peter Reichmann, a real estate speculator, and the former Canadian ambassador to the United States, Alan Gottlieb.

Daniel K. Ludwig, a partner of Taylor in real estate ventures and horse racing, was another 1001 Club member. Ludwig shipped Bronfman whiskey to Moe Dalitz's Purple Gang during the Prohibition era. Dalitz was involved in the Kennedy assassination, according to some investigations.

Conrad Black, chairman of the Hollinger Corp. and son of the Taylor subordinate who formed Argus/Hollinger. Black's *Daily Telegraph* is currently coordinating the "Whitewater" scandals against President Clinton.

Tibor Rosenbaum, the first head of Israeli intelligence's financial department. Rosenbaum's Banque de Crédit International was used to launder Permindex money to finance the assassination attempts on de Gaulle. Rosenbaum was a

member of the 1001 Club, as is his successor in dirty finance, the Geneva-based Edmund Safra, whose wife is a WWF trustee.

David Ogilvy, founder of the advertising firm Ogilvy Mather, worked out of Stephenson's New York City office as the British Special Operations Executive (SOE) liaison to the U.S. Office of Strategic Services (OSS) during the war. Ogilvy and Stephenson later established the British American Canadian Corp., out of which Permindex was spawned. His cousin by marriage, Princess Alexandra (herself a cousin to Queen Elizabeth II), succeeded Prince Philip as president of WWF-U.K.

Sir Max Aitken, the son of Lord Beaverbrook, Stephenson's mentor. Beaverbrook's nephew, Howard Aitken, was one of Bloomfield's closest associates in the postwar period. He shared an office building with Bloomfield in Montreal, and worked with him on various operations.

How Permindex was created

In 1945, in the aftermath of World War II, the British monarchy ordered the privatization of several wartime intelligence agencies and networks. The purpose was to obscure the British oligarchy's far-flung capabilities, while facilitating their penetration of the corporate and oligarchical elite of the United States. Permindex was created as a combination of several of these privatized capabilities established in the immediate postwar period.

In May 1945, just a few days after the end of the war in Europe, Sir William Stephenson incorporated the British American Canadian Corp. in Panama. The firm was soon renamed the World Commerce Corp. According to his wartime aide David Ogilvy, the purpose of the firm was to "form a profitable company of merchant adventurers" made up of British intelligence veterans. Ogilvy drafted the corporate papers and became vice president. John Pepper, the head of Stephenson's wartime staff in Washington, became president.

Stephenson's founding partners in the World Commerce Corp. included former SOE director Sir Charles Hambro, and Sir Rex Benson, who had been the British intelligence liaison to Washington during the war. Benson put up much of the money for the firm. Both had worked closely with Stephenson during the war. Benson was assisted by Col. Louis Franck, the banker who had been Hambro's wartime deputy.

Both Benson and Hambro later became founder-trustees of the WWF. Officials of their family banks, Kleinwort Benson and Hambros, have always served as WWF trustees since its creation. As for Franck, he became WWF treasurer.

It was out of the World Commerce Corp. that Permindex was formed.

In order to provide himself a secure base of operations for this project, Stephenson moved to the British Crown colony of Jamaica in 1946. He pioneered a property development in Montego Bay, which soon attracted several of his wartime colleagues as residents. Among these colleagues were Lord Beaverbrook; Ian Fleming, the famous "James Bond" spy novelist and SOE spy whose family later helped form the WWF; and Sir William Wiseman, the World War I British intelligence boss in New York, whose networks had been taken over by Stephenson. Beaverbrook and Fleming were both closely associated with Stephenson's new firm.

From its inception, the World Commerce Corp. worked closely with the World Trade Mart of New Orleans, nominally to promote world trade. The founder and chairman of the World Trade Mart was Col. Clay Shaw, who had first hooked up with the British in World War II when he was an OSS liaison officer to Winston Churchill's headquarters. Shaw had considered renouncing his U.S. citizenship and remaining in London. Nonetheless, in 1945, he returned to the United States to establish the World Trade Mart.

Shortly after he had overseen the first phase of this privatization, Stephenson transformed his Jamaican property into the "Tryall Club." The elite British club became a protected planning center for de Menil, Bloomfield, and others implicated in the Kennedy assassination.

While Stephenson and Shaw were establishing the World Commerce Corp. and the World Trade Mart, Edward Plunkett Taylor was setting up yet another firm dedicated to world trade—the Argus Corp. (now Hollinger Corp.). Taylor had been Churchill's personal secret representative and war supplies procurement agent in wartime Washington during the time that such purchases were still illegal under the U.S. Neutrality Act. Taylor worked directly under fellow Canadian Lord Beaverbrook and in close coordination with Stephenson.

In 1945, Taylor was ordered to form Argus Corp. as a private, postwar continuation of his wartime procurement and intelligence staff. The firm, since renamed Hollinger Corp., grew rapidly, in part because all of its founding officials were British intelligence officers. Among Hollinger's key figures today are Rupert Hambro from the SOE banking family; Sir James Goldsmith, a top British intelligence officer and controller of the World Wildlife Fund; Henry Keswick, whose Hongkong banking family has always played a dominant role in the WWF; and former British Prime Minister Baroness Margaret Thatcher.

Simultaneously, Stephenson's agent, Major Bloomfield, was detailed back to Montreal to oversee the postwar expansion of the Bronfman syndicate. In 1956, Bloomfield incorporated Permanent Industrial Expositions Inc., Permindex, merging the capabilities of the World Commerce Corp. (which was soon formally dissolved) and Clay Shaw's World Trade Mart. In 1959, Permindex formed the Centro Mondiale Commerciale, the World Commerce Center, in Rome, as its subsidiary. In 1961, the apparatus came under the control of Prince Philip's newly formed World Wildlife Fund, and was readied for its murderous assignments against de Gaulle and Kennedy.

WWF leads 'chainsaw demonstration' against President Clinton

by Rogelio A. Maduro

On July 27, President Clinton made a decision to ignore the advice from his environmentalist advisers and to sign the Rescission Act, which contained clauses intended to revive the forest industry in the United States and to protect the health of these forests. This decision triggered an explosion of attacks on the President from both the "respectable" and the "terrorist" wings of the environmentalist movement.

Less than 24 hours after the President had signed the law, over 150 environmentalists demonstrated in front of the White House with the leaders of most of the major environmental groups, threatening the President with roaring chainsaws in a "21 chainsaw salute." The demonstration had been organized by the World Wildlife Fund and the Sierra Club, and the most prominent signs were those displayed by the WWF (see p. 24). An observer told *EIR*, "The event looked like a scene from the horror movie 'The Chainsaw Massacre.' You had 21 people, men and women, gunning their chainsaws in the air toward the White House, as if to say: We're coming to get you."

An article in the Aug. 19 Washington Post noted, "Some environmental leaders... have taken off the gloves against the White House, which they feel should be taking a higher-profile stance in favor of environmental regulations. 'Clinton is not even trying to be the environmental President,' said Sierra Club [executive director Carl] Pope. 'He seems to have made a political calculation that the public is not so concerned about these issues, and that's a terrible mistake.'"

While the "respectable" environmentalists taking part in this demonstration might publicly deny that they have anything to do with terrorism, in fact, in the words of a German court finding recently, the collaboration between Greenpeace and the Earth First! terrorists cannot be denied.

Speakers at the Washington demonstration included: Robbie Cox, Sierra Club; president, US PIRG, Gene Karpinski; executive director, Natural Resources Defense Council, Greg Wetstone; legislative director, The Wilderness Society, Jon Roush; president, World Wildlife Fund, William Eichbaum; vice president, Sierra Club Legal Defense Fund, Kevin Kirchner; vice president, National Audubon Society, Elizabeth Raisbeck; senior vice president, Defenders of Wildlife, Jim Wyerman; vice president, Clean Water Action, John Friedrich; national political director, Western Ancient Forest Alliance, Jay Lee; acting executive director, Friends

of the Earth, Brent Blackwelder; president, American Oceans, Dawn Martin; political director, Center for Marine Conservation, Roger McManus; president, Pacific Rivers Council, Jud Noritake; national policy director, Americans Mobilized to Protect the Environment, Chuck Clusen.

Perhaps the real fear of the greens, as expressed by Sierra Club Executive Director Carl Pope at a press conference a few days after the demonstration, is that President Clinton has broken with Theodore Roosevelt's tradition. "Instead of doing what Theodore Roosevelt intended with the National Forest Service, Clinton is giving our forest away to the timber industry," he said. Roosevelt prevented the development of the western part of the United States at the turn of the century by implementing a policy of "Wise Use," which locked up most of the West into national forests and parks, and ensured that federal lands were not homesteaded.

The press conference, which was sponsored by the Environmental Media Services, featured leaders from most major environmental groups. When asked why the environmentalists were attacking Clinton for signing a bill that was sent to him by a Republican congressional majority, they answered that Clinton is worsening what has already happened in Congress, and that it created a precedent: Now that Congress knows the kind of compromise Clinton is ready to make, they will send him other bills like that.

"We've supported the Clinton-Gore ticket, but today, I could not get someone to second the motion, because there would even not be a first," said a Sierra Club spokesman. A woman from Zero Population Growth, who is a member of the President's Council on Sustainable Development, was also present on the panel. When asked, "Where is Al Gore in all of this?" she replied: "Al Gore is vice president, but Clinton is President."

The 'salvage rider'

The green attacks on Clinton, more than anything else, expose the real agenda of the environmentalist movement and the extent to which they are willing to lie to the public. The salvage rider, in fact, is very good environmental policy. It revives a traditional forest policy of cutting down dead and diseased trees to protect the health of the ecosystem as a whole. Salvage timber, as defined in the bill, is "the removal of trees that are diseased or insect-infested, dead, damaged,

down, burned or 'immediately susceptible' to being burned or eaten by bugs." Thus, logging companies are allowed to cut the trees before they rot or spread disease and pests to healthy forests. This is a crucial policy, since there are now millions of acres of diseased forests as a result of previous environmental prohibitions.

The bill also effectively blocks, for the next 18 months, any groups from being able to obtain a restraining order to stop "salvage timber logging" on pretext of environmental degradation, after the contract is given. In addition to preserving healthy forests from the ravages of pests and diseases, the bill will provide a much-needed source of timber for the logging industry and the construction industry. Many areas of the Pacific Northwest have been closed to logging by insane environmental regulations, throwing the region into economic crisis.

Earth First! calls for 'day of sacrifice'

The WWF-orchestrated chainsaw demonstation at the White House was followed by an even more direct threat to the President. The Aug. 1 issue of the Earth First! Journal, the official newspaper of the terrorist group Earth First!, attacks President Clinton over the salvage timber law, making a not-too-veiled call for his assassination. The focus of the issue is the promotion of the pagan (druid) concept of sacrificing a leader to celebrate the festival of Lughnasadah, to appease the pagan deities and to bring in new leadership.

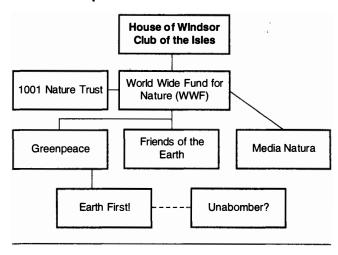
The Journal's lead story claims that Clinton had set off an "apocalypse" by signing this bill, and states that "we have no choice but to revolt." Underneath that statement there is a picture of a man firing a gun against a tree with the caption, "That pioneering spirit lives on!" The article ends with the proposed occupation of one of the salvage sale areas, as well as other actions that can be undertaken by Earth First!ers to help organize what they call "the Salvage Rebellion."

Elsewhere in the issue, there is a "poetic description" of the pagan festival of Lughnasadah, whose date is used to publish that particular issue of the *Earth First! Journal* (the *Journal* is published eight times a year on the major pagan holidays). The "poem," written by Peggy Sue McRae, a blueblood who has made Earth First! her public cause, reads as follows:

"Lughnasadah is a harvest festival that marks the beginning of the autumnal season. Lugh, the Celtic sun god, reached the pinnacle of his power at summer solstice. He now falls to his death, bleeding crimson light in the western sky.

"A harvest festival, Lughnasadah ('cutting of first wheat') is also the time of sacrifice and the time for a leveling of power. Celtic historian Margaret Murry postulates that ancient Celts ritually killed their tribal leaders every seven years. Near Lindow, England, the body of a druid prince was found perfectly preserved in a peat bog. It is believed that the 'Lindow Man' was ritually killed at the time of the early

FIGURE 1
Prince Philip's eco-terrorist command



Roman invasions of Britain.

"In our own culture, power is increasingly concentrated in the hands of a few megacorporations. The mass communications industry controlled by these megacorporations continually bombards us. Communications theorist Howard Rhaingold explains: 'Why torture people when you can get them to pay for access to electronic mind control? Lughnasadah is a day for ritual sacrifice.'

"Kill your television."

A death threat to opponents of Earth First!, or just a fanciful hallucination?

Private investigator Barry Clausen, who infiltrated Earth First! in the early 1990s and wrote a book about it, Walking on the Edge, told EIR that he takes this "very seriously" as a death threat. In his years of experience dealing with Earth First!, he has seen that in many cases, companies and individuals targeted by Earth First! Journal became the victims of bombings, arson, or sabotage. He said that this threat should be seen in the context of the "hit list" that appeared in a 1990 issue of the underground newspaper Live Wild or Die (see EIR, Aug. 18, "Is the Unabomber's Skin Green?"). The so-called Unabomber has sent bombs to two of the three top targets on that "hit list." This underground newspaper is distributed by leaders of Earth First! Clausen added that he has called the Secret Service and filed an official report on the threat.

Clausen recently issued a report that documents more than 150 acts of terrorism in the United States and Canada since 1983. It concludes that "two groups, the Animal Liberation Front and Earth First!, are responsible for the majority of crimes and damages," and criticizes the FBI and the Justice Department for not taking action to stop these acts of terrorism and for failing to report their occurrence in the FBI's 1994 annual report on terrorism in the United States.

Some of the other provisions in the Rescissions bill signed by Clinton includes billions of dollars in relief, related to the Oklahoma bombing, and for the creation of a Center to monitor domestic terrorism, as well as an increase in funding for anti-terrorism.

The connection between the chainsaw demonstration in front of the White House and the Earth First! threat is more direct than meets the eye. The terrorist group was founded in 1979 with money from the Sierra Club and the Wilderness Society. Earth First! founder David Foreman, then a lobbyist for the Wilderness Society, was asked to launch an ecoterrorist group that would be "so extreme it would make even the most radical environmentalist groups seem tame by comparison."

Foreman, according to one published account, "made the deal . . . under the condition that funding would be steady and adequate, and that his participation was a limited-term ten-year deal." After his ten years were up, Foreman moved on to create the Wildlands Project, with lavish funding from the major foundations. This project has been officially cited as the model for the Biodiversity Convention, now a United Nations international treaty. In June of this year, Foreman, still recognized as the world's leading eco-terrorist, was

made a member of the board of the directors of the Sierra

The direct connections between mainstream environmental groups and eco-terrorist groups were proven in court recently. On July 28, a three-judge panel in the German city of Hamburg ruled that "the collaboration of Greenpeace with the terrorist organizations Earth First!" cannot be denied (see EIR, Sept. 1, "Greenpeace Is Linked to Earth First!"). Greenpeace had sued a German publishing house for making that connection in a press release advertising a showing of the Danish film exposé of Greenpeace, "The Rainbow Man." In response to the suit, Böttiger Verlag DmbH provided the German judges with a dossier documenting the extensive collaboration between Greenpeace and Earth First! The dossier also contained details on the collaboration between Earth First!, the Sierra Club, the World Wildlife Fund/World Wide Fund for Nature, and other "respectable" green organizations.

Given the court decision, the death threats against Clinton and Chirac, and the connection between Earth First! and the Unabomber, isn't it time for the U.S. Justice Department to start investigating the real origins of terrorism, before it is too late?

The pernicious influence of Greenpeace in Germany

Helmut Böttiger, director of the Böttiger Verlag publishing company in Germany, tells EIR about his court battle with Greenpeace:

EIR: You were recently sued by Greenpeace. Can you give us some history concerning your involvement with the environmental debate in Germany?

Böttiger: Our publications promote scientific and technological progress. We were often shocked by the impertinent lies of the so-called environmentalists within moneygrubbing organizations and governments. We published articles against such lies, not against specific organizations. When we wrote about a certain film which was critical of Greenpeace, suddenly we found ourselves attacked by Greenpeace before a Hamburg court.

EIR: How would you estimate Greenpeace's influence in Germany?

Böttiger: The court case forced me to look more deeply into Greenpeace; I was astounded to find how much they influence public opinion. The media follow the Greenpeace line obediently on environmental questions. You will hardly find any public event about environmental issues, by a political party or a government institution, where there is no Greenpeace representative on the podium.

EIR: How did a country like Germany, which developed the modern chemical industry, the jet airplane, and laid the basis for space travel, become so extremely anti-tech-

Böttiger: It's simple. Things with a certain relation to technological progress or Classical art over the years were more and more branded as "Nazi." For instance, nuclear energy is painted as "fascist." Members of Parliament from the Social Democrats, Christian Democrats, Free Democrats, and of course the Greens have slandered our publishing house as "rightwing-radical, anti-Semitic, and sectarian," for no other reason than our support for nuclear energy and technological progress. This reminds me, in the early 1930s, when the Nazi ideology (not necessarily anti-Semitism, but everything else), was imitated, to one degree or another, by all the so-called democratic parties.

The fact is that the new fascism today is really green "antifascism," and there is no resistance to it, because the older people, who certainly know better, have been silenced, finding themselves accused of being old-fashioned and themselves fascist.

Eco-terrorist murder spree marked 1977

by Jeffrey Steinberg

The prominent role of Prince Philip's World Wide Fund for Nature (WWF, formerly the World Wildlife Fund) in the recent deadly threats against U.S. President William Clinton and French President Jacques Chirac, is nothing new. On at least one other occasion in recent history (after the early 1960s murders of John F. Kennedy and Enrico Mattei, and the attempts on the life of Charles de Gaulle), a wave of radical environmentalist "direct action" served as the cover for assassinations directed against leading international political figures who were challenging the then-Anglo-American oligarchic alliance.

In 1977, leading spokesmen for Friends of the Earth, in both the United States and France, came out with the ID-format line that "nuclear energy equals fascism," and vowed to conduct "nuclear terrorism" to block its spread. Hordes of eco-fascists, in a replay of the Jacobin mobs, stormed construction sites where nuclear power plants were nearing completion. And, under the cover of this well-financed mobilization of environmentalist-Maoist rabble, professional assassins under the control of the British Crown and its Secret Intelligence Service, assassinated a number of key international figures, and would have undoubtedly killed others had it not been for this journal's efforts to expose the authors of the attacks.

The Creys-Malville riots

On July 29-30, 1977, in one of the earliest and bloodiest "Green" protests ever, antinuclear rioters battled police at the site of France's Super-Phénix fast breeder reactor at Creys-Malville. The bloody confrontation had been preceded by warnings from Jim Harding, a top official of Friends of the Earth (FOE). In April 1977, at the Salzburg Conference on a Non-Nuclear Future, he said, "There will be nuclear terrorism . . . unless the European leaders come to terms with the demands of those insisting on a non-nuclear future. Unless they support alternative energies, there will definitely be nuclear terrorism in Europe." Brice LaLonde, then the head of FOE France and a key organizer of the Creys-Malville riot, repeated Harding's warnings. LaLonde would later serve as minister of the environment in the cabinet of President François Mitterrand.

Although Harding's threats of "nuclear terrorism" were

not carried out, other actions did follow-rapidly.

On July 30, as police and demonstrators were still battling at the Creys-Malville site, several members of the Baader-Meinhof Gang (RAF) assassinated West Germany's most prominent banker, Jürgen Ponto. Ponto was not only a key adviser to then-Chancellor Helmut Schmidt, but he was the leading force behind Germany's \$4 billion nuclear energy deal with Brazil. He was about to leave on a mission to Brazil when he was murdered.

Several weeks after the Ponto assassination, the Swedish magazine VI published an interview with Baader-Meinhof Gang leader Norbert Krocher, in which he, too, used the IDformula "nuclear energy equals fascism." "I am no terrorist," he told the magazine in an interview conducted in a safe house at an undisclosed location. "My friends are not terrorists. We regard ourselves as fighters against terrorism. . . . The real terror against many individuals comes from industry. . . . Other forms of terror are environmental pollution, especially from the nuclear industry."

Just one hour after the Ponto assassination, West German terrorist attorney Klaus Croissant spoke at a press conference in Paris, where he denounced West Germany as a "fascist state" and praised the RAF as "West Germany's national liberation army." Croissant's words were not significantly different from those of Social Democratic Party Chairman Willy Brandt, who had written a letter to Chancellor Schmidt a week before Ponto's assassination, warning that the Bonn government should abandon its repression of the radical left.

Broader assassination drive

The targeting of West Germany for a heavy dose of "wet works" began on April 7, 1977, when the nation's Attorney General, Siegfried Buback, was assassinated by the same Baader-Meinhof Gang. And on Sept. 7, 1977, Hanns-Martin Schleyer, the head of the Industrial Association, was kidnapped by the RAF near Cologne. He was later found dead.

Within days of the Ponto assassination, American political-economist Lyndon LaRouche was warned by high-level American and West German security officials that his name, along with that of Chancellor Schmidt and Schleswig-Holstein Minister President Gerhard Stoltenberg, had surfaced on the same RAF hit-list that featured both Ponto and Schleyer.

Although the Baader-Meinhof Gang took credit for the wave of killings, LaRouche and researchers for *EIR* pointed out at the time that the so-called "second generation RAF" had been created by British intelligence through its control over such entities as the Heidelberg Mental Patients Collective.

Further investigations by *EIR* revealed that the original formulation, "nuclear energy equals fascism," had been cooked up at a Paris radical institute patronized by the London branch of the Rothschild family, leading figures in the Prince Philip-led Club of the Isles and WWF.

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PIRInternational

U.S.-French alliance makes air strikes possible

by Edward Spannaus and Mark Burdman

At 2:00 a.m. Sarajevo time on Aug. 29, NATO launched the largest operation in its history, and the biggest military operation in Europe since World War II, hitting Bosnian Serb positions with waves of air strikes. The first step was to suppress the Bosnian Serb "integrated air defense" (IAD) system, hitting radar and anti-aircraft sites. Next to be hit were command-and-control sites and ammunition dumps. A wide range of weapons was utilized by the U.S.-led NATO forces, including laser-guided bombs and HARM radar-killing missiles.

The decision to carry out the air-strike campaign represents a success for President William Clinton and French President Jacques Chirac, over the opposition of the British government and the United Nations apparatus. Lyndon LaRouche commented on Aug. 30 that President Clinton "has applied regular warfare techniques, aerospace-style, to a domain in which *irregular warfare*, or limited warfare, run by the British, the U.N., and the Serbs, was killing a lot of people. He has broken the magic of the London-orchestrated UNO travesty and Serb war crimes." (See full text of LaRouche's remarks, below.)

The long-overdue air raids reflect the process which *EIR* has been alone in reporting: that an agreement had been reached between Presidents Clinton and Chirac going into the July 21 London conference on Bosnia—an agreement which began to reverse the years of appeasement of Serbian war crimes which were set into motion by former British Prime Minister Margaret Thatcher and former U.S. President George Bush. In the days following the London conference, the British and their U.N. stooges immediately undertook to sabotage the London agreements; this was particularly flagrant around the U.N. resistance to giving up the notorious "dual key" arrangement, which had hamstrung the ability of NATO to respond to Serb provocations and atrocities.

However, U.S. officials insisted on jettisoning the "dual key" arrangement, and NATO, led by the United States and France, took control—with the British kicking and screaming all the way.

Recognition of this new strategic combination came in the form of a lengthy commentary in the Sept. 1 *Le Monde*, entitled, "A Franco-American Wager on Peace," by Alain Frachon and Claire Trean. The authors stressed that what is happening now in Bosnia, is happening "thanks to the determination of Presidents Clinton and Chirac." France and the United States have established a "complementarity" of strategy, they wrote, whereby the French favoring of Rapid Reaction Force ground action, is wedded to American preference for NATO air strikes. This has developed with "Britain and NATO only following along," and the United Nations bureaucracy "only lending its juridical clothing" to the whole operation.

Frachon and Trean pointed to the recent evolution in both France and the United States, whereby the "persistent antagonism on both sides" has been superseded. Chirac has changed the direction of French policy, toward identifying the Serbs as the adversary. What crossed his tripwire, were several things in combination, including the Bosnian Serbs taking French U.N. troops as hostages and publicly humiliating them, which is intolerable for a "gaullist" like Chirac, and the Bosnian Serb aggression against Srebrenica and Zepa.

The French daily *Libération* also took note the same day, that the determining factors, in the hard military actions currently taking place, are the "election of Chirac", and a "Franco-American rapprochement on Bosnia."

A major eruption

The raids were launched immediately following the visit of Bosnian President Alija Izetbegovic to Paris on Aug. 28-29, during which he met with Chirac for several hours. Be-



The results of Serbian "ethnic cleansing" in Bosnia. The NATO air raids that began on Aug. 29 have destroyed the aura of invincibility of the Serbs and their British sponsors.

fore leaving the Bosnian capital on Aug. 28, Izetbegovic and his prime minister, Haris Silajdzic, had both stated that there would be *no further negotiations* with the Contact Group, unless military measures were taken against Serbia, following the Aug. 28 bombing of the marketplace in Sarajevo by Bosnian Serb forces, which killed at least 33 civilians and in jured more than 80 others.

In a discussion with French intellectual Barnard-Henri Levy (reported by *Le Monde* and the Italian daily *Corriere della Sera*), Izetbegovic recounted some of what had happened during his Aug. 28-29 visit. Izetbegovic said that Chirac had called British Prime Minister John Major after the Sarajevo marketplace massacre, and Major was opposed to any significant retaliation against the Serbs. Then, on the night when the U.S. decision to unleash the NATO bombing was undertaken, Chirac called Major again, and Major "erupted into anger" against the bombing strategy.

As the air raids went into their second and third day, British officials pulled out all the stops to try and force a suspension of the strikes, so that the Serbs could "negotiate." British spokesmen were quoted as saying that the U.N. had no intention of bombing the Serbs into submission.

While U.S. officials continued to press their diplomatic negotiations, one of the most most significant official statements in the immediate aftermath of the launching of the raids came from State Department spokesman Nick Burns, who announced: "We hope that the lesson that has been learned by the Bosnian Serb leadership, is that their quest for

a Greater Serbia is over. It is finished. The tide of the war has turned against them."

Burns went on to explain that the tide had begun to turn against the Serbs during the Croatian offensive, and had now turned decisively against them with the launching of the NATO air strikes.

The other important element of the strategic situation around the air strikes is the *lack* of any significant response from Moscow—other than muted protests. The respected Russian military commentator Pavel Felgenauer, writing in *Sevodnya* on Aug. 31, said the Bosnian Serbs should not expect any help from Moscow. "The worsening of the situation in former Yugoslavia has shown the total impotence of Russia's policy," wrote Felgenauer. "Russia may perhaps be a great power, but not in this region, at any rate, not in 1995."

Documentation: LaRouche's view

In an interview with the radio program "EIR Talks" on Aug. 30, Lyndon LaRouche was asked for his assessment of the NATO air strikes against Bosnian Serb targets. Here is his reply:

There are two aspects to this process, first of all what President Clinton *said*, about this action, and what he *did*. Now what the President did, was excellent. And the fact that he adopted it as *his*, was also excellent. The problem was, the President was constrained, I think, by some State Department or crisis management people, to try to appear to be in line with the diplomacy run through the State Department to

say that he hoped that this pressure of these air strikes would bring the Serbs to the bargaining table. Now, that was a *mistake*. I understand why the President would make such a mistake under these present circumstances, but I prefer to look at what he *did*, and what he did is good.

The President has obviously turned to the Department of Defense, and given them both a *mission*, and the *latitude* for rules of engagement, for conducting that mission, in the real circumstances. That is, the President has applied regular warfare techniques, aerospace-style, to a domain in which *irregular warfare*, or limited warfare, run by the British, the U.N., and the Serbs, was killing a lot of people. He has broken the magic of the London-orchestrated UNO travesty and Serb war crimes.

The situation is somewhat complicated because, first of all, you have a bunch of communists, actually, like Karadzic and his people, who are the so-called Bosnian Serbs. Now, they're not real close to the church, any church, in any real sense, they're really old, hard-core communists. They're much closer to the British Tavistock Institute, the Sigmund Freud Institute, and people like that, because they're psychological warriors; and therefore, they're desperate and dangerous, as opposed to Milosevic's Serbs, in Serbia, as such, who are a little less dangerous.

Then you have also, under Karadzic and Mladic, these commanders in Bosnia of the Serbian forces there, the Chetnik forces, you have people who believe they are criminals, because they have participated in crimes against humanity. And thus, even though, say, prior to 1991, and so forth, even 1992, many of these people who were residents of Bosnia, would have had no inclination to commit the kind of crimes in which they participated, under the influence of Mladic and company, they committed horrible crimes against humanity, against their neighbors.

Therefore, anyone who's commmitted those kinds of crimes against their neighbors, no matter what their motivation would be otherwise, are desperately fearful that they should ever fall into the hands of the survivors of their victims. So we have a very desperate situation in Bosnia, for that reason. There is no basis on Earth on which the Bosnian Serbs would ever submit to any kind of honorable peace agreement.

But, what Clinton has done, together with the allies and their cooperation, is to reverse the situation. Up until now, it has been the thesis of London and the United Nations, that the Croats and the Bosnians were really defeated, and they should admit it at the peace table, and accept whatever crumbs the British and their Serbian puppets offered. Now the situation is reversed. Through the proper application of aerospace power by the United States and its allies, it is now the Serbs who are defeated; and when Clinton says they should come to the peace table, he's really saying, "Well, these guys are really going to be defeated, there's nothing they can do. We are going to defeat them. They should admit it now." That's the good part.

Interview: Nedzib Sacirbey

'The credibility of NATO was at stake'

Mr. Sacirbey is the ambassador of Bosnia and Hercegovina to the United Nations. Our reporter Umberto Pascali reached him by telephone at the U.N. Mission in New York on Aug. 30, 1995, as the news of NATO retaliatory airstrikes against the "Bosnian Serbs" of Radovan Karadzic was being broadcast.

EIR: So the situation is improving?

Sacirbey: Well, you know, the British had to decide they have to follow America.

EIR: How did they get to decide so?

Sacirbey: I do not know how they decided that, but the credibility of the United States, of NATO, of the West, of the United Nations was at stake. Because Karadzic's Serbs did not believe in anything these organizations and countries would say, and accordingly, they did behave in the most aggressive way, thinking: how strong we are and how weak NATO is. Consequently, the lack of credibility resulted in escalating aggression.

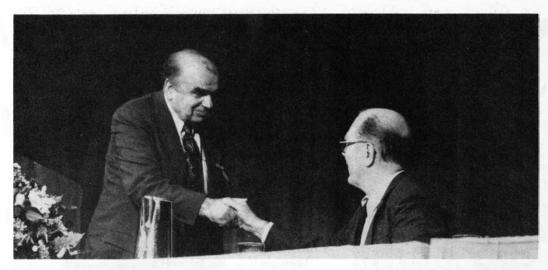
I am glad that finally NATO responded. I think it is very good that they used their expertise and reached the only possible conclusion, i.e., that Karadzic's Serbs are responsible for this massacre [in Sarajevo]. If NATO had not reacted this time the credibility of NATO, of the West, the U.S., and the U.N. probably would have vanished. They did not come just to save Sarajevo but they came to save their own face and credibility.

EIR: The air strikes are ongoing.

Sacirbey: Yes, they say they are going on for three or four days, until the Serb artillery around Sarajevo will be moved 20 kilometers back. This was the decision and the request that was made following the first massacre of Sarajevo civilians when 68 people were killed in the market place [on Feb. 6, 1994].

EIR: The air strikes now, according to your information from Sarajevo, are where?

Sacirbey: They are around four areas: Sarajevo, Gorazde, Tuzla, and Mostar, and finally the Rapid Deployment Forces did use their heavy weapons—their cannons—to hit the targets, and some time ago I was informed that they used 597 shells.



Lyndon LaRouche (right) greets Bosnia-Hercegovina representative Nedzib Sacirbey in September 1993

EIR: These are the big shells?

Sacirbey: Yes, these are the French and the British on Mount Igman that finally used their artillery.

EIR: Is this what you were demanding some time ago in an interview with *EIR* when you said that, in 24 to 48 hours, NATO could break the heavy artillery capabilities of the Serbs?

Sacirbey: I am definitively not a military expert. But I know that we do need security for our civilians, and an assurance of security for our civilians was granted to us following the first massacre when the Serbs were ordered to get their heavy guns outside a 20 kilometer diameter from Sarajevo, or to put those guns under the control of Unprofor. As you know, some time ago they felt too strong, and they picked up all these guns and they used them against civilians. This was the "bravery" of Karadzic's Serbs: to kill civilians, not to fight the Bosnian Army. They just terrorize civilians.

EIR: And now where will this lead the situation?

Sacirbey: We hope it will lead to peace, because Karadzic's Serbs should learn that a military solution that they are trying to impose is not possible. The arms embargo against Bosnia makes us militarily weak. This is in some way changed, because, number one, the Serbian Krajina does not exist any longer as Serbian Krajina. Number two, we did receive some arms. Number three, NATO has helped to relieve our civilians in Sarajevo and we hope in Gorazde and Tuzla too, because the Serbs hit Tuzla too. Finally they are hitting the positions of Karadzic's Serbs in four areas, Sarajevo, Gorazde, Tuzla, and Mostar.

EIR: I noticed that the U.N. British spokesman, until the last minute, one could say, was expressing skepticism on the possibility of finding out who had launched the massacre in Sarajevo. And there was this big disagreement with U.S. Admiral Leighton Smith, who had indicated that there could

have been no doubt concerning Serb responsibility.

Sacirbey: I did not see these statements, but I saw the statements of Prime Minister Major, President Chirac, Chancellor Kohl, and, unfortunately, the Russian position. I definitively understand that the Russians are close to the Serbs, but I was surprised that they identify themselves with the Serbians' misdeed, consequently instead of a protector of human rights of Serbs they are protectors of the genocidal Serbs, of war criminals. I don't believe that Russia and the Russian people need this. Also the Chinese position against air strikes surprised me.

EIR: The idea of neutralizing the heavy artillery positions of the Serbs was advanced several times by Mr. LaRouche and publications associated with him. Do you think this is what is happening now?

Sacirbey: This happened as a consequence of many statements and promises and resolutions of the U.N. Security Council and so on. It was the only coherent action to stop the Karadzic Serbs' terror against civilians in these cities.

EIR: Do you want to add anything else?

Sacirbey: The air strikes and attack are still going on. But they will probably stop when the Serbian heavy guns will be out of the 20 kilometer diameter from Sarajevo.

EIR: And a similar situation in the other safe areas? **Sacirbey:** Yes, so that the Serbs cannot be in a threatening position.

EIR: Do you think the accident that killed the three high U.S. officials traveling to Sarajevo was "clean," or was there foul play? Some press reports in Italy indicate that there are doubts. [See *International Intelligence*, p. 52.]

Sacirbey: At this time it is a "clean" and unfortunate accident, but Unprofor promised an investigation, and did investigate. I do not know their statement.

Juppé ousts French finance minister, Thatcherite Alain Madelin

by Christine Bierre

French Prime Minister Alain Juppé announced on Aug. 25 that he was removing Alain Madelin from his post as economics and finance minister. The ouster of Madelin, whom the Wall Street Journal and other international financial press affectionately call the "French Margaret Thatcher," could lead to a revolution in French economic policies, back to the dirigistic and production-oriented policies associated with President Charles de Gaulle and his economic éminence grise, Jacques Rueff. EIR had already shown (in our issue of Feb. 10, 1995) to what extent the free-marketeers from the Mont Pelerin Society were counting on Madelin to finally bring to an end France's republican political system, which is based on the idea that the State must protect citizens from rapacious financiers and ensure economic progress for the nation as a whole. Those circles are the only ones howling presently at the sudden dismissal of Madelin.

In a certain sense, the break with Alain Madelin was inscribed in the course of events to come, from the very beginning. Since Jacques Chirac launched his bid for the presidency in mid-1994, Madelin's presence among the team of his closest advisers, has been a question mark to most observers. What is a die-hard, "less State," economic liberal, a spokesman for the ultra-liberal Mont Pelerin Society, a man whose model economist is Friedrich Von Hayek, doing as one of the three main pillars of the President of France's Gaullist party? His presence was a paradox, because Jacques Chirac ran his presidential campaign on a program which was anything but liberal. His first priority, as he repeated throughout the campaign, was to use the power of the State to end what he called the "social fracture" of the country: a tremendous growth of inequality among the French citizens caused by a whopping rate of unemployment and leading to the increasing marginalization of broader sections of the population. What was a man like Madelin doing on a team led by Jacques Chirac; Alain Juppé, now prime minister; and Philippe Séguin, the president of the National Assembly? These last three are each, in different ways, typical products of what is left today of France's Colbertiste tradition: civil servants committed to a centralized State which takes responsibility for the well-being of the population, by ensuring decent rates of economic growth, jobs for everybody, transport and energy infrastructure, a high-quality education and health systems for each and every citizen.

Longstanding tension

Fortunately for the French State, this insoluble paradox finally led to a break for the best: the exit of Alain Madelin. What had brought the situation to a head were Madelin's statements threatening to cut civil service pension funds, but tension had been brewing almost since the very beginning. In the first fight, Juppé and Madelin locked horns on the issue of the defense budget, which the economics and finance minister wanted to cut severely. President Chirac, who takes his role as head of the French armed services very seriously, intervened to avoid any cuts and maintain the military budget at the same level of the previous year. A second fight broke out when Madelin took the initiative of announcing that the number of civil servants would be significantly reduced, a favorite hobby-horse of the cut-State-spending liberals; Juppé then had to publicly deny that Madelin's statement was government policy.

Madelin went even further, in statements to Europe 1, a popular national radio station, the week prior to his sudden departure. These were the immediate cause of his ousting. In "Gingrichian" style, Alain Madelin promised to reduce spending by attacking the social benefits accumulated over the years by employees in the public sector as opposed to those in the private sector. "The prime minister, and I will join him, will pose in the coming period, a series of questions aimed at reviewing certain of our social advantages, of our bad habits," he said. The "bad habits" he was referring to, are "injustices between France's protected sector and those of the exposed sector," i.e., the public and private sectors, respectively. Madelin was referring to the fact that civil servants' pensions are calculated on the basis of 37.5 years of work while those of private sector employees are calculated on the basis of 40 years of work. Not happy with having set one set of workers against another, Madelin continued, attacking "injustices" between those on welfare who receive a monthly Minimum Integration Revenue (RMI), and those employed at minimum wage. "Is it normal," he asked querulously, "that a family with two children receiving RMI and other social benefits, earns more than the family which lives on the same floor of the building, but who gets up early in

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the morning, comes home late at night, after an exhausting day, and who only earns a minimum wage?"

This immediately provoked an uproar from the trade unions, the left, and from organizations fighting for increased social justice, which were already mobilizing for social demands in September, when the French population comes back from its long summer holidays. Madelin's statements intersected a growing wave of discontent stemming from a feeling that Jacques Chirac, who was elected on a platform to fight social injustice, was not delivering on his promises. According to the slanted polls published by the media, the French population is disappointed with Chirac: They expected a "social" President and have found instead a "Chief of Staff" of the armies!

The ruthless ousting of Madelin and the terms used by Alain Juppé to explain why this decision was taken are extremely encouraging, because they indeed confirm a strong determination by the government to fight social injustice. Hitting at the heart of Madelin's liberal credo, Juppé essentially reminded him that in order to reestablish social justice in the country, the government would be asking the privileged to help the poor, and not the other way around!

"As you know, the President of the Republic committed himself vis-à-vis the French citizens, to do everything possible to restore the social cohesion of our country," stated Juppé. "This is the mission he entrusted me with when he nominated me to head the government. France is morally and materially weakened by a social fracture as a consequence of unemployment and marginalization. This is why I have made the struggle for employment, the main priority of my action. My government wants social justice. It is not by denouncing the social benefits gained over the years that one can meet the conditions of increased solidarity. We need, quite the contrary, to encourage the dynamic forces of the nation and demand that the more privileged help those who are less so. We should not confuse the struggle against privilege by putting into question acquired social benefits." He continued, "The declarations of the economics and finance minister go against the reform will of the government, founded on a policy of social and fiscal justice and on a broad method of cooperation."

Right to housing enforced

In order to make sure that the message was quite clear, the government announced a series of social measures which will be adopted over September, which should alleviate the hardship suffered by the poorest in the present crisis. The main signal that the government intends to send to the financial circles which have made tremendous profits over the last years of speculation, was the decision announced by Housing Minister Pierre André Perissol, to requisition 500 empty apartments in the Paris area belonging to banks and insurance companies, to make them available to homeless before the beginning of the winter.



A street in Paris decorated for the 100th anniversary of de Gaulle's birth, in 1990. The removal of Madelin could clear the way for a genuine Gaullist economic policy.

One of the most hideous expressions of the "social fracture" is the fact that today in France, one of the richest countries in the world, 200,000 people are totally homeless. 470,000 live in rooms in what are euphemistically called hotels or pensions, while a million and a half more live in substandard housing. During the campaign, Jacques Chirac had promised he would address this problem, and Alain Juppé, in his inaugural speech to the National Assembly, announced that 10,000 homes would be made available to the homeless before winter, using emergency measures, and that construction of 10,000 more new homes would be started as soon as possible. To meet those demands, the government had started negotiations with the banking and insurance sector, which owns at least 130,000 empty apartments, as well as nearly 4 million square meters of empty office space in the capital city area. Unsatisfied with the pace of the negotiations, and determined to send the right message, Pierre André Perissol infuriated the financial sector in a late-August announcement that he was requisitioning by force 500 empty corporate apartments. The precedent for this stems from the

strictest of Gaullist traditions: It was Charles de Gaulle who, in 1945 and again later in the 1960s, introduced a decree allowing the State to requisition apartments, in accordance with the French Constitution, which guarantees every citizen the fundamental right to a roof over one's head.

On national television, Juppé announced other measures, including: a monthly stipend to the very old to allow them to employ care-givers at home, a program aimed at stabilizing and creating jobs in the poor suburbs, a tax-free 125,000-franc housing loan aimed both at boosting the severely depressed real estate market and at the same time improving the conditions for the population to buy homes.

As important as the signal may be, however, these measures alone will not solve the deep international financial and economic crisis which has France in its grip, which brings us back to the question we started with: Why was Alain Madelin tolerated in the government in the first place? As committed to social justice as he might be, Jacques Chirac has not yet decided—or perhaps, he has not yet been able to create the conditions—to tackle the real problem of the economy: the financial deregulation which has led to cancerous financial speculative looting of the productive economy over the last years. This is what is destroying the economy internationally. The only long-term solution to the economic crisis resides in coming back to national regulation of financial flows and to a "dirigistic" economy, whereby the State orients credit flows toward productive investment in infrastructural development or other useful forms of investment, and discourages, through taxation or other means, financial speculation. So long as such measures are not taken, the cancerous growth of speculative financial activity will lead to more and more bankruptcies in the productive and other sectors of the economy, and to increased unemployment. These are the real causes of the budget deficit and of national indebtedness: The growth in unemployment and the rise in bankruptcies lead to severe reductions in fiscal revenue for the nation, and thus to an increased deficit and borrowing.

France is confronted with a further problem: compliance with the Maastricht Treaty adopted in 1993 by the European Union. This treaty, whereby the European Union nations decided to create a single currency and a European Central Bank system by the end of the century, demands that the public deficit and indebtedness of the member states be kept below 3% and 60%, respectively. Compliance with those criteria is forcing not only France but also most other European governments to adopt the harshest budget austerity, which, in turn, runs contrary to policies of "social justice."

It is both the acceptance of the present financial order of speculation, as well as the adherence to the Maastricht Treaty, which explains why a man like Alain Madelin had been tolerated in the government in the first place. Madelin, the apotheosis of monetary orthodoxy, has now been removed. We will see in the coming weeks and months, whether the actual policy was removed along with the symbol.

Brain's 'raves' create scandal in England

by Mark Burdman

The Church of England is being rocked by a scandal that could have significant repercussions, not only for the British monarchy and for the United Kingdom, but internationally. The case centers around Rev. Chris Brain, an ordained Church of England minister, who had become widely known for his "Nine O'Clock Service" in the town of Sheffield, England. NOS is a so-called "rave" religious service, involving loud rock music, banks of television screens, dry ice, and other sense-bombarding paraphernalia. A national scandal broke, when various female "worshippers" at Brain's church came forward with tales of how they had been sexually abused during the services, and had suffered severe emotional trauma as a result.

At first, the church hierarchy tried to keep the scandal under wraps, but this became impossible, as more victims came forward with lurid stories. In typical British practice, the same senior church figures who had, earlier, not only sanctioned, but praised Brain, turned vengefully against him, in a brutal exercise in "damage limitation." The reverend was tossed into a mental institution.

'Up to the highest levels'

On Aug. 26, Madeleine Bunting wrote in the London Guardian newspaper that the Church of England is being hit by its "most damaging crisis for decades. . . . It's been a destructive week for the credibility of the Church of England." She said that the implications go far beyond the "storm over the loss of its historic assets in property speculation" that had erupted last year. This is because the NOS was fully sanctioned by the Church of England, "up to the highest levels."

Bunting's account stopped short of indicting Her Majesty Queen Elizabeth II, the Supreme Governor of the Church of England. But she has documented the fact that Brain was sponsored, or patronized, by senior figures in the office of Dr. George Carey, Archbishop of Canterbury and Primate of the Church of England.

According to Bunting, Reverend Brain was able to run his NOS cult for ten years, during which time he worked as a church "group leader" under Canon Robert Warren, "now an adviser to the Archbishop of Canterbury on evangelism." Furthermore, she wrote, "NOS was praised repeatedly," as leading figures in the "evangelical" wing of the church at-

tended its "rave Planetary Mass—with its loud rock music, its banks of television screens and dry ice." Senior church figures were "delighted with Brain's work." Another adviser to Dr. Carey on "evangelism," Dr. Michael Green, stated that he was impressed by this "perfectly sensible and thoughtful" man.

Earth worship, paganism, and witches

Bunting claimed that the scandal is so serious, "because it challenges the spiritual integrity of the Church." That is a half-truth, at best. In the sense that the Church of England is, by British constitutional arrangements, obliged to uphold the doctrines and ideas of Christianity, its "spiritual integrity" was, long ago, seriously undermined. In recent years, both Dr. Carey and the previous Archbishop of Canterbury, Dr. Robert Runcie, have been loud-mouthed promoters, not only in Britain but internationally, of pagan, New Age, greenecology cults. Royal Consort Prince Philip's World Wide Fund for Nature (formerly World Wildlife Fund) has had, and continues to have, collaboration, at the highest levels, with the church hierarchy, in bringing pagan forms of worship into church services.

Carey is a consistent proponent of the anti-Christian doctrine of malthusianism. He has publicly assailed Pope John Paul II for his opposition to population control, and is a vocal supporter of United Nations world-federalist efforts to reduce global population (see *EIR*, June 5, 1992, "Queen's Archbishop Attacks the Holy See"). He is also a promoter of tribal insurgencies in Sudan and other parts of Africa, nominally in defense of "defenseless Christians." What hypocrisy, from an archbishop whose office promotes anti-Christian perversities in his own churches!

The Church of England's full commitment to New Age paganism was already exposed by *EIR*, in an article on Dec. 8, 1989, by this author ("Great Britain's Elites Prepare New Racist, Hitlerite Order"). That article reported on the full endorsement, by Robert Runcie, of New Age perspectives on ecology and conservation. It reported a Nov. 25, 1989 commentary by London *Times* religious correspondent Clifford Longley, entitled "In Search of the New Age," lauding Runcie for his belief that "New Age thinking corresponded better to the spiritual needs of the present than orthodox Christianity could hope to do," and for advising the church "to adopt the New Age agenda for itself," especially because "the New Age is undoubtedly green."

Prior to Longley's article, Runcie had made a series of public interventions defending the New Age. In mid-September 1989, he had sent a greeting to the Canterbury Festival of Faith and the Environment, for which he was attacked by members of the Church of England who still believed in Christianity, for supporting "Earth worship, pagan meditation, witches, and the like." The design for the Canterbury Festival had been drawn up, in significant part, by a group working under the direction of Martin Palmer, a senior World

Wildlife Fund consultant and personal adviser to Prince Philip on ecological matters. One "reform" introduced by Palmer et al., was to have prayers that welcome the setting aside of agricultural land, to replace traditional prayers, which had always welcomed the new harvest.

Such policy moves by the Church of England are, usually, trend-setting for the Anglican Communion throughout the world. The Anglican Communion, historically, grew out of the Church of England. The archbishop of the Church of England is *primus inter pares* in the Anglican Communion as a whole. This baneful influence from the "mother country" explains why certain practices in the United States have come to be known as "Episco-pagan" (see *EIR*, July 20, 1990, "ADL Joins Cathedral of St. John to Promote 'New Age' Paganism"). The Episcopalian cult center in the United States, the Cathedral of St. John the Divine in New York City, is a counterpart to the St. James Piccadilly Church in London.

Brain's brain

What Brain was doing, in general terms, is fully in line with recent years' "reforms"; it's just that he got caught with his reverential pants down. Other British newspapers stress that there are now some 200 Church of England churches, across the U.K., where "rave" services are performed.

Brain's spiritual guru, from whom he adapted his NOS "raves," is Matthew Fox, the originator of the "Creation Spirituality" movement, and one of the more influential figures in the international New Age, gnostic movement. He was a Dominican friar for 27 years, until he was ejected by John Paul II, for alleged heresy.

According to the London *Times* on Aug. 25, Fox is "the originator of the New Age church services that featured rave music, flashing lights, video screens, and dry ice, rather than hymns and organ music. He became an Episcopalian priest in the Anglican community, and set up the Institute of Culture and Creation and Spirituality at Holy Names College in Oakland. Staff include a masseuse, a so-called witch, a Zen Buddhist, and a medicine man. A dog named Tristan (!) is his spiritual adviser. He invokes the moon, and believes that congregations should form into 'native circles.' "

Since the scandal broke in Sheffield, Fox has been expending much hot air, about how he "didn't know" what was going on, and repudiating his protégé. He stated, on Aug. 25: "I am grateful this came to light, before any projects could develop in the U.S. I was unaware of any abuses occurring within the community."

Fox himself has not, at least not yet, been caught with his pants down, but he well deserves to be embarrassed. Before the scandal broke, Fox was in the early planning stages of taking the Nine O'Clock Service "Planetary Masses" to the United States.

British seek to ruin U.S.-China and U.S.-Vatican relations

by Marianna Wertz

The United Nations' Fourth World Conference on Women, which began on Sept. 4 in Beijing and runs until Sept. 15, is shaping up as a British-run spectacle in which the Clinton administration's effort to forge a working relationship with the Chinese government, on the one hand, and the Vatican, on the other, are intended to be swept aside in a tidal wave of irrationality. The British wire service Reuters predicts a "Vatican-White House battle" over abortion, while British political assets, including Harry Wu and Amnesty International, are going all out to provoke a fight with Beijing.

What the British oligarchy fears is an outcome like that of the 1994 Cairo, Egypt U.N. Conference on Population and Development, where, despite many differences, the President joined with Pope John Paul II in opposing any international organization's usurping power to regulate social matters within sovereign nation-states. The forces allied with Royal Consort Prince Philip's World Wide Fund for Nature (formerly World Wildlife Fund), were savage in their attacks on this qualified agreement between the Vatican and the President. The same malthusian lobby has been savage in its attacks on the Clintons and the Chinese government.

The Beijing conference itself has been denounced as an "abomination" by American presidential candidate Lyndon LaRouche, whose political movement joined the battle at Cairo against the U.N.'s malthusian plans. LaRouche recently called on the United States to withdraw from the United Nations. While the conference will undoubtedly be an "abomination," as LaRouche said, at least its British authors may not get what they want out of it.

Nominally on the subject of women's human rights, the conference's draft agenda for action is directed toward imposing a malthusian population-control policy on nations worldwide, marketed under buzzwords like "sustainable development" and "women's empowerment." The largest U.N. conference in history will gather tens of thousands of delegates from 185 nations, including an unprecedented 30,000 delegates at the Non-Governmental Organization (NGO) Forum on Women that began Aug. 30, relegated to the Beijing suburb of Huairou by a Chinese government worried about these NGOs' radical-feminist agendas.

British agents at work

As EIR has documented in several recent articles, the policy of the British oligarchy is to seek a breakup of China through civil war and other means, and the Beijing conference, for them, is a forum for advancing those aims. The major pre-conference British ploy involved Chinese-American "human rights" advocate Harry Wu, who was tried and convicted of espionage and expelled from China Aug. 24, after what appeared to be a deliberately staged setup for his own arrest a few weeks earlier. While Wu was being detained in China, Britain's stooges—from the leftist "human rights" NGOs to U.S. congressional "conservative" insurgents—protested Hillary Clinton's going to Beijing. Once freed, Wu continued to protest Mrs. Clinton's participation.

Then, on Aug. 29, the eve of the NGO forum, Amnesty International, an unofficial arm of British intelligence, launched a provocative attack on the Beijing government. At Amnesty's first press conference in Beijing—they had been banned prior to the U.N. gathering—Amnesty Secretary-General Pierre Sane denounced Beijing for human rights abuses. Within hours, Chinese Foreign Ministry spokesman Chen Jian called Amnesty "an organization that has always harbored deep prejudices against China," and warned that "any organization or individual that attends the U.N. conference on women should not use it as an opportunity to interfere in China's internal affairs."

In contrast, the Clinton administration went out of its way to avoid provocation—welcoming, on the same day as the Amnesty press conference, China's decision to establish an area for demonstrations at the NGO Forum. U.S. State Department spokesman Nicholas Burns called the decision to allow protests "a very good step." Burns also hailed Beijing's statement that its ambassador to Washington, Li Daoyu, would return to his post. Li was recalled to Beijing in June, in protest of the U.S. visit by Taiwanese President Lee Teng-hui.

The results of the September 1994 U.N. Conference on Population and Development at Cairo set a pattern of reason that the British fear. At that conference, a working relationship emerged among the American delegation, the Vatican, and Muslim nations, assisted by the efforts of LaRouche's

Schiller Institute, to prevent the worst of the U.N.'s malthusian depopulation policies from being written into the final conference document.

The first sign of the U.S.-Vatican side of a renewed, Cairo-style working alliance appeared June 19, with the joint Washington, D.C. press conference by Hillary Clinton and Mother Teresa of Calcutta to dedicate the Mother Teresa Home for Infant Children in the District of Columbia, based upon a common commitment to the sanctity of human life and the necessity of caring for the poor. The home will house pregnant women, enabling them not to seek abortion but instead to make an adoption plan for their children.

Next came several papal releases in July denouncing the antihuman aspects of the Beijing draft agenda, followed by a private meeting between Vatican and Muslim leaders. At a press conference on Aug. 18 in Washington, D.C., several Islamic organizations denounced the draft agenda for the Beijing conference (See *EIR* Sept. 1, 1995). Then on Aug. 22, Egypt's Islamic institution Al-Azhar issued a strong attack on the conference, declaring that its draft declaration contradicts religion and aims to destroy the family.

On Aug. 25, the Vatican announced an American woman to head the 22-person delegation of the Holy See to the conference—the first to have a female majority. Dr. Mary Ann Glendon, the Harvard law professor selected to head the delegation, says that she "favors debt reduction and other

economic policies embraced by the developing world," and will represent the views of the millions of poor Roman Catholic women who live in the developing sector. Part of her legal training involved free legal work for indigent prisoners in Chicago and volunteer defense work for civil rights workers in Mississippi in 1964.

After meeting with Pope John Paul II on Aug. 29, on her way to Beijing, Professor Glendon told reporters that she was not looking for a fight with radical feminists at the conference, but was "prepared for dialogue, for cooperation, for trying to shape a consensus." She asserted that she is indeed representative of the majority of American women: "Let me say that nine out of 10 American women are married, five out of six American women are mothers and more than 50% of American mothers work, so I find it hard to see how I'm not representative," she said. Glendon says she represents a "Christian feminism" which is "holistic" because it does not attempt to divide men and women.

The official White House statement announcing that Hillary Clinton will be honorary head of the U.S. delegation, focused on similar themes. "The conference represents a significant opportunity to chart further gains in the status of women, including strengthening families, promoting and protecting the human rights of women, expanding women's participation in decision-making, and ensuring access to education and health care," it said.

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Don't be a pawn for London's genocidal games against Nigeria

by Linda de Hoyos and Lydia Cherry

All those lending their support to operations currently being conducted by the so-called National Democratic Coalition (Nadeco) of Nigeria are either witting tools or duped fools of a genocidal plan devised in London to obliterate Nigeria as a nation by plunging it into murderous civil war. Investigation into the London-headquartered so-called Nadeco operation shows it to be nothing but a wholly-owned and operated franchise of Baroness Lynda Chalker, the British Minister of Overseas Development, a.k.a. the British Colonial Office.

On Aug. 28, Nadeco issued a letter to President Bill Clinton from its Washington, D.C. office, protesting the visit to the United States of 10 Nigerian leaders on the invitation of the Schiller Institute, founded by American statesman Lyndon LaRouche. The visiting delegation includes six members of the recently concluded Constitutional Conference in Nigeria, most notably Chief Odumegwu-Ojukwu, former head of state of the Republic of Biafra. Nadeco, in a letter signed by "Chief Ralph Obioha," claimed that the granting of visas to the Nigerian delegation violated a Presidential Proclamation against supporters of the Nigerian government of President Sani Abacha.

On Aug. 30, Nadeco led a rally against the delegation at the Embassy of Nigeria in Washington, with Randall Robinson of the Ford Foundation-funded TransAfrica Institute playing the role of lead rabble-rouser.

Nadeco's aims, according to one of its controllers, is to put the United States on a confrontation course with Nigeria, to force the overthrow of the Abacha government, and to reinstall in Nigeria Abacha's opponents, who can be depended upon to reinstate the Structural Adjustment Programs of the International Monetary Fund in Nigeria. This scenario is, in reality, a design to plunge Nigeria into murderous austerity and fratricidal civil war.

London's design for Nigeria is part of its plans to destroy the three most important nation-states of Africa—Nigeria, Sudan, and South Africa—and clear the continent for the full exploitation of its resources by such backers of Lynda Chalker as Unilever, Royal Dutch Shell, and Anglo-American Corporation, the primary underpinnings of the British monarchy.

London's stooges against Nigeria

On June 8, 1995, Chalker declared war on the Abacha government, with a statement to the House of Commons that she would move to have Nigeria suspended from the British Commonwealth unless the Sani Abacha government were removed. Britain cut all aid to Nigeria in 1994.

On July 13, Chalker is known to have held her second meeting with Nadeco chairman Bolaji Akinyemi. As reported by *Africa Analysis* of July 14: "Akinyemi is encouraged by the signs that the former [sic] colonial power is willing to 'turn the screws' on the Abacha regime."

Chalker's pet operatives against Nigeria prominently include:

- Moshood Abiola: Now residing in jail in Nigeria, Abiola is one of the wealthiest businessmen of West Africa, who tried to buy the Nigerian presidency in elections in 1993. His credentials as the rallying point for a "democracy movement" for Nigeria have been tarnished by the fact that he made his fortune as the ITT bagman for the Mideast and Africa.
- Randall Echols: The official paid public relations agent for Abiola in the United States, Echols's office is right down the hall from that of Nadeco at 901 East Capitol Street in Washington. Echols was alerted by Henry Kissinger's Center for Strategic and International Studies in Washington that a Nigeria delegation had been invited to the United States by the Schiller Institute, and promptly crossed the hall and instigated the Nadeco letter to Clinton. He then called upon TransAfrica, Interfaith Action, and "other grass roots organizations" to protest the delegation and to rally outside the Nigerian embassy on Aug. 30.

Echols told an inquirer on Aug. 30 that he works "closely with all" British organizations on Nigeria, and praised the report on Nigeria produced by the British Parliament Commission on Human Rights led by Lord Avebury. In contrast, the Clinton administration's relation with Nigeria, says Echols, "is disgraceful. . . . Until Clinton called Abacha on the telephone ten days ago, along with [British] Prime Minister [John] Major, the White House has not said anything specific about Nigeria. . . . If you want to know why it is such a curious battle, it is that Nigeria pumps about \$12-

14 billion worth of oil each year. We have Chevron and Mobil producing oil. . . . As long as we are getting oil out of this country, human rights and democracy be damned! That's really been the truth of the matter. . . . We have called for an oil embargo for the last couple years, which they have refused to consider."

- Olusegun Obasanjo: Now residing in jail in Nigeria, on charges of plotting a coup against Abacha in March 1995, Obasanjo is a former President of Nigeria. After leaving government, he was forwarded to the United Nations and to the United States. A frequenter of Kissinger's Center for Strategic and International Studies, he is a member of the board of the multibillion-dollar Ford Foundation, which is one of the few funders of London's Royal Institute of International Affairs (Chatham House). Obasanjo was to be present as a speaker at a Chatham House conference in March on "Britain in the World," next to Lynda Chalker, but was precluded from speaking by his arrest in Nigeria.
- Randall Robinson: The executive director of Trans-Africa, Randall Robinson has led the effort to turn Nigeria into the "new Haiti" for the Clinton administration. Trans-Africa is heavily endowed with grants from the Obasanjo's Ford Foundation. Robinson is on the board of the New York Council on Foreign Relations, the official American sister to Chatham House. Two other board members of TransAfrica also overlap the CFR: Dr. Willard Johnson, also affiliated with the Ford Foundation, and James Joseph, who also is on the board of the Brookings Institution, and was in 1985 a fellow at Oxford University.
- Bolaji Akinyemi: Married to a British national, Akinyemi resides in London, where Nadeco is headquartered. The former foreign minister under the pro-International Monetary Fund Babangida regime from 1986-90, Akinyemi in 1993 called upon Abacha to step in and save Nigeria from disintegration, but then turned against the government, when Abacha failed to reward Akinyemi with the foreign minister portfolio. He moved to London, where he founded Nadeco with other disgruntled Nigerians. Nadeco was reportedly funded primarily by Abiola, but since June has come under the increasing direct sponsorship of Chalker. According to Nigerian sources, Chalker has opened the doors for Nadeco in Britain, enabling Nadeco operatives to get money from banks and universities to sustain their anti-Nigeria operations, after money from Abiola himself began to dry up. Prior to joining the Babangida government, Akinyemi was director of the Nigerian Institute of International Affairs, the sister organization to Chatham House in Nigeria.

Lynda Chalker: London's pyromaniac in Africa

According to Abiola's front man, Randall Echols, "If more people became outraged at what is occurring in Nigeria, and it got out of control, it will make Rwanda, Haiti, look like child's play. I think it is on the horizon."

That is precisely London's goal. Chalker's key man in Africa is Ugandan tin-pot dictator Yoweri Museveni, whose armed fight for power was bankrolled directly by Mashood Abiola. Through Museveni, Chalker has succeeded in turning the East African countries of Rwanda and Burundi into a killing field. Chalker instigated with Museveni the April 1994 invasion of Rwanda by the "Rwandan Patriotic Front," which is nothing more than a section of Museveni's National Resistance Army of Uganda. The results of the RPF invasion, in the context of the overthrow of the Hutu and first elected President of Burundi, Melchior Ndayaye, in October 1993, were completely predictable: a frenzy of panicked and desperate violence.

Chalker is not finished. With Chalker's backing, Uganda is now threatening a direct attack on Sudan, in retaliation for the military defeats of the Sudanese People's Liberation Army of John Garang, which has been bankrolled by the London's Lonrho Corporation, through Uganda.

Museveni has marauded Kenya, with the Ugandan-hatched February 18th Movement attacking Kenya along the border. Chalker, in a visit to Kenya in late July, declared war on Kenya's elected President Daniel arap Moi, in the same way she has declared war on Abacha in Nigeria, and has cut all bilateral aid to Kenya. On Aug. 1, President Moi denounced Chalker's colonialist behavior: "See this British lady, just a woman, comes to Kenya and says, 'Do this and do that.' It is as if she is handling kindergarten schools kids, she is like their headmistress. We must be respected. God gave us this country, and we must be respected."

Chalker has given the green light for more war in Rwanda, with the U.N.'s lifting of the arms embargo against Rwanda on Aug. 21. Chalker is the only official in the world to defend the RPF's massacre of 8,000 men, women, and mostly children at the Kibeho refugee camp in southwestern Rwanda. The RPF, which acts directly in conjunction with the Ugandan military and the Burundi Tutsi military, is now poised for war against Zaire.

In Burundi, Chalker has given the green light to the "ethnic cleansing" of this country, where Hutu intellectuals are being systematically murdered, along with male Hutu schoolchildren. When U.S. Ambassador Robert Krueger spoke out against the slaughter of Hutus, his life was threatened and his convoy was attacked.

Do not think that Chalker and her ilk will hestitate to carry out such atrocities in Nigeria. As Chalker noted when she triumphantly visited the cholera-stricken refugee camps of Goma, Zaire in June 1994: "Of course, when one comes face to face with death . . . in their hundreds, or as in Goma, in their thousands, I feel it. But I don't allow it to cloud my judgment."

Think again before you answer the "grass roots" call of Lynda Chalker's stooges in the United States. Are you willing to bear the murderous consequences of being a pawn in London's genocide in Africa?

Baroness Chalker's minions are plunging East Africa into war

by Linda de Hoyos

Ugandan President Yoweri Museveni, under the auspices of the British Ministry for Overseas Development, is on the march. All parties in the Eastern Great Lakes region of Africa—Sudan, Kenya, Zaire, Rwanda, Burundi, and Uganda—are bracing for a multi-theater regionwide war. Although most of the world's media will attempt to paint the coming eruptions as yet another sad tale of "ethnic conflict," the conditions for such a conflict, as an *EIR* investigation has documented, have been created primarily by British intelligence, represented on the scene by Minister of Overseas Development Baroness Lynda Chalker.

At the end of July, Chalker arrived in Kampala, Uganda, to meet with Museveni, who, according to her own statements, is one of her best friends on the continent. Chalker had "no harsh words" for Museveni, reported the London *Independent* on July 30, even though Museveni declared in May that political parties would continue to be banned in Uganda and elections would be postponed past 1996. Her visit to Uganda coincided with the news that Uganda's donors would be handing over an additional \$80 million in funds to Museveni. Chalker's doting on the Ugandan dictator contrasts sharply with her behavior during her first stop in Kenya, where she imperiously upbraided the elected President of the country, Daniel arap Moi, and announced a cut-off of all bilateral aid, in protest to the "rudeness" of Kenyan internal politics.

Within the week of Chalker's visit to the area, the Rwandan Patriotic Front (RPF), now ruling the country from Kigali, amassed 50,000 troops on the border with Zaire, according to the *New York Times*, citing U.N. reports.

On Aug. 14, Zaire warned that it faced attacks on Hutu refugees inside its country from both the Rwandan and Burundi militaries. The military of Burundi is 99% composed of Tutsis, and is closely integrated with the Rwandan Patriotic Front, itself a spin-off of Museveni's National Resistance Army. "From corroborated sources," the statement from Kinshasa said, "it emerges that Rwanda and Burundi have mobilized a force of 2,000 men to attack the [refugee] camps with multi-barrel rocket launchers and armored cars."

On Aug. 15, Museveni paid a three-day State visit to Kigali, during which Rwanda was consolidated as a satellite state of Uganda. Rwandan President Pasteur Bizimungu de-

clared that Rwanda can learn a great deal from Uganda, "which has rebuilt the economy and social fabric to a level acclaimed internationally." He further testified in his official report on the visit, that Rwanda and Uganda will cooperate closely in the areas of agriculture and animal husbandry, commerce and industry, transport and communications, energy, finance, especially in the fields of *privatization and tax collection, defense and internal security*, justice and education" (emphasis added). Bizimungu further hailed the Ugandan dictator for his "contribution to regional cooperation"—although he declined to say that this cooperation is mostly in the military realm. Bizimungu reported that it was agreed that the "free movement of goods and people between Rwanda and Uganda is the best way of nurturing health and larger economies."

While Museveni was in Kigali, on Aug. 16, the United Nations Security Council approved a one-year suspension of the arms embargo that had been placed on Rwanda in May 1994, after an escalating campaign by the Rwandan government. The lifting was carried through by the United States, Germany, and the non-aligned countries, with Britain staying in the background.

On Aug. 19, Zaire began to expel Rwandan refugees from the camps, a measure that all political factions had agreed upon in Kinshasa. The expulsion was primarily a protest against the lifting of the arms embargo against Rwanda, but also was designed to call the bluff of Kigali, which has claimed that Zaire and the Hutu militias are restraining refugees from going back home. In the course of the next five days, fewer than 12,000 refugees—out of more than 1 million in Zaire—were sent back, and upwards of 180,000 fled into the hills, to escape a forced repatriation.

On Aug. 24, Zaire halted the expulsions.

Reflecting the buildup for war in the region, the same day, Museveni announced in Kampala that Uganda would "soon be equipped adequately to fight mobile and modern warfare and therefore the people should not worry about recent incursions by rebels," as reported by Kampala Radio.

Regional conflagration

The war that all parties in the region expect to break out will be a multi-theater engulfment. In the west, the war will

pit Zaire against the Ugandan-Rwandan-Burundi militaries. There is already fighting taking place in northwest Burundi, between the Rwandan-Burundi militaries and various armed Hutu groups. It is not known whether Tanzania, home to 750,000 Hutu refugees, will remain out of a war; Tanzania was forced to warn in July that it would take all measures against the Burundi military to defend Tanzanian sovereignty, after the Burundi military was regularly carrying out raids against the camps along the border.

Museveni, who apparently has been promised a major upgrading of his military equipment and arsenal, has also poised his troops along the Kenyan border, where he can be expected to join in any civil fracas Chalker is able to instigate inside Kenya.

It is possible that warfare will also escalate against Sudan, the primary target of London in the region. Uganda has been a steady supporter of the British-created Sudanese People's Liberation Army of John Garang, and Ugandan troops have reportedly been forwarded into the SPLA. However, in mid-August, Garang suffered a major defeat with the taking by Khartoum of a key town on the SPLA supply route. The SPLA is charging that the Sudan government offensive was carried out under cover of a Zairean artillery barrage. It can be expected that Uganda will step in to bolster Garang.

But Museveni also has some problems at home: He is facing up to 16 guerrilla operations in the country, including in the state of Buganda. Chunks of northwestern Uganda are out of Museveni's control altogether.

Ethnic cleansing

As the Belgians did during their colonial reign over Rwanda, the British have latched on to the Tutsi caste in Rwanda, Burundi, and Uganda, as their vehicle of control over the region. They have inculcated among their chosen Tutsi leaders, such as Paul Kagame, current defense minister of Rwanda and leader of the RPF, the ideology of superiority to fuel an "ethnic cleansing" of Burundi and Rwanda—ethnic cleansing that produces the result the British desire: depopulation.

On Aug. 31, the RPF regime in Kigali removed the last vestiges of any Hutu representation in the government, announcing that the Hutu Prime Minister Faustin Twagiramungu, and four other ministers, three of them Hutus, had been sacked. According to sources, even before this, no Hutu government official has been permitted to wield any power associated with his nominal post. It is likely that the undiplomatic shift is designed to consolidate a trusted war cabinet in Kigali.

There are also multiple reports, including from aid officials, that within Rwanda, the RPF—representing Tutsis who left Rwanda in the wake of the Hutu revolution that overthrew the Tutsi colonial caste in 1959—is not only seizing the property of dispersed Hutus, but are also turning out those Tutsis who had remained in Rwanda and survived the

summer 1994 bloodletting.

Otherwise, the so-called tribunals to bring to justice those who were involved in the mass murders of 1994, are a travesty. Individuals have been arrested on the testimony of only one person; few trials for the more than 100,000 prisoners in the country have taken place. However, there is a growing list of "disappeareds"—especially of those Hutus who are educated or who had a role in the previous governments. It is believed that up to 1,000 people die each day in the Rwandan prisons of disease, and in some documented cases, of suffocation.

In neighboring Burundi, the "ethnic cleansing" now being carried out by the Tutsi military is more fully documented, because of the uneasy condition of power-sharing that still exists in the country. The ruling party is the majority Frodebu party, composed of Hutus and those Tutsis who have repudiated the caste system. But the judiciary and the military remain in the hands of the Tutsis. Since independence, this Tutsi military ran Burundi under a dictatorship, until elections forced by the United States brought about the first elected President, a Hutu, Melchior Ndayaye. Since an attempted coup and successful assassination of Ndayaye in October 1993, the Tutsi military has worked steadily to force the Frodebu to hand over more and more power. The military has also carried out a campaign of ethnic cleansing in the capital city of Bujumbura and other cities.

In Bujumbura, out of nine districts in the capital city, only two have any Hutu residents left. One district is Kamenge, from which most Hutus fled after intense fighting in July, which left 75% of the district's houses destroyed, according to Burundi Communications Minister Germain Nkeshimana. He also related that Bujumbura University, the premier university in the country, has been completely "cleansed" of any Hutu students, after a terror campaign waged by terror squads armed by former Tutsi Prime Minister Jean Baptiste Bagaza. Bagaza returned to Burundi in late 1993, after six years of exile in Libya. Hutu professors were also murdered. Hutus are now fleeing from other campuses. According to Tanzania radio, the Burundi military "has embarked on a campaign of destroying Hutu primary schools in villages along the border."

The Belgian De Standaard further reported on Aug. 23 that the Tutsi militias—the Sans Echecs—are "in the process of systematically taking out Hutu intellectuals. This is shown by a whole series of corresponding testimonies. The most recent striking attack took place on Aug. 21 against priest Michel Sinankaw," a close assistant the Hutu bishop of Bujumbura. "Young Tutsis also carried out direct attacks on the College of the Holy Spirit, led by a Hutu Jesuit, and there were roundups on the university campus."

It is this willingness to destroy intellectuals and destroy educational opportunities for black Africans that is the obvious appeal of the Tutsi caste for such upper-crust Britons as Baroness Lynda Chalker.

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Castroite leftists and 'conservative revolutionaries' unite against Caldera

by David Ramonet

It might appear anomalous that a group of anti-imperialist "revolutionaries" would join forces with neo-liberal proponents of the International Monetary Fund's economic shock therapy to achieve a common goal. But in recent weeks, this is exactly what has happened in Ibero-America, in the form of an alliance between Fidel Castro's São Paulo Forum, on the one hand, and the imitators of U.S. "conservative revolutionary" Newt Gingrich, located in the Group of Latin American Observers (GOL).

There is nothing mysterious about the alliance. Both groups have the same British belief-structures, and both seek the destruction of the sovereign nation-state and its vital institutions. Specifically, although organizing under different guises, both groups are committed to the legalization of the international narcotics trade, and to halting the recent successful offensive against Ibero-America's drug cartels, launched by patriotic forces in Colombia and Peru and backed by the Clinton administration.

From the standpoint of this unholy alliance, any government which insists on defending the traditional concept of national sovereignty, and the need for real economic development outside the framework of the International Monetary Fund, must be overthrown. Thus, Venezuelan President Rafael Caldera, who has been an outspoken opponent of IMF policy as well as a defender of sovereignty, is a specific target of this left-right scissors operation.

The FARC cartel's conference

The left side of this operation was seen in the Aug. 18-19 conference in Buenos Aires, entitled "Perspectives for Latin American Liberation," organized by the São Paulo Forum's publication, America Libre. Held at the School of Philosophy at the University of Buenos Aires, the gathering was truly a "narco-conference." One of its high points was the report presented by Bolivian Evo Morales on his international campaign to legalize drugs.

A leader of the Bolivian Coca Producers Council (CPC), Morales is strongly backed and financed by the international "mafia" of non-governmental organizations (NGOs). In recent months, he has been organizing a movement to resist the Bolivian government's U.S.-backed efforts to eradicate coca, arguing that "coca is not cocaine." In his speech to the conference, Morales indicated how he is manipulating

oppressed Bolivian peasants when he asserted that coca is a "product of national salvation," and that "to defend coca is to defend the dignity of national sovereignty." He even charged that those who combat the drug trade have "a Hitlerian mentality." The United Nations committed "a historic error" in 1961, he said, when it included the coca leaf on its list of outlawed drugs.

Although great efforts were made during the conference to avoid any mention of the São Paulo Forum, the coalition's top narco-terrorist leaders were present there in force. Clearly visible was Albano Urbano, of Colombia's Revolutionary Armed Forces (FARC), also known as that country's "third drug cartel." From Mexico, Fray Pablo Romo came in representation of Samuel Ruiz, the bishop of San Cristóbal de las Casas in Chiapas, better known as "comandante" of the Zapatista National Liberation Army (EZLN). Romo in fact gave an enthusiastic presentation on the EZLN's activities, and along with Ruiz's other representative, José Barón Torres, as well as the rest of the audience, loudly applauded Evo Morales's drug legalization proposals.

Ibero-American 'Gingrichites'

On Aug. 22-23, Mexico City was the site of the International Seminar on Drug-trafficking, Society, and Politics, reflecting the right-wing side of this pincers operation. The conference served as a vehicle for attacking the traditional concept of national sovereignty, using the region's anti-drug war as a pretext.

The conference was sponsored by the Group of Latin American Observers (GOL) and the Rafael Preciado Hernández Foundation, run by Juan Estrada Gutiérrez. Aside from the latter, and the former Venezuelan presidential candidate Oswaldo Alvarez Paz, a visceral opponent of President Rafael Caldera, the gathering also included the president of Mexico's National Action Party (PAN), Carlos Castillo Peraza, and the Colombian Guillermo de León Escobar, president of the Simón Bolívar Foundation, and close collaborator of former presidential candidate, Andrés Pastrana.

The gathering of these forces represents an attempt to set up a regional neoconservative apparatus, not seen since the heyday of the Bush-Kissinger Project Democracy in the 1980s. Look at Castillo Peraza, for example. He poses as Mexico's Newt Gingrich, gnashing his teeth at an "overly

strong State." Yet in July he traveled to Cuba to meet for several hours with that well-known "democrat," Fidel Castro.

The GOL first became visible when it sent a delegation to Panama in 1990, shortly after George Bush's invasion, in order to support the "democratic" government of Guillermo "Porky" Endara, also a toady of the Cali cartel. GOL's coordinator at the Mexican conference, who introduced the other speakers, was one César Lepervanche, a former executive of the Venevisión television network whose owners are the very dirty Cisneros family. Lepervanche was a producer of the network's "anti-drug" programs, two of which were most revealing: One was an interview with the Cali cartel's favorite "anti-drug" leader, Gen. Miguel Maza Márquez, and the other was an interview with an official of the U.S. Drug Enforcement Administration (DEA), in which Lepervanche unsuccessfully tried to get the official to attack *EIR* founder Lyndon LaRouche.

During the press conference which followed the Mexico City conference, Alvarez Paz, Guillermo de León, and Castillo Peraza promoted the Kissingerian thesis of limited sovereignty. According to journalist Héctor Landaeta of the Caracas daily *El Globo*, Alvarez proposed the creation of "a world, or continental anti-drug international which should restate the concept of sovereignty and national security in order to confront the drug trade with greater power," and called for a "new security theory" on the basis of which national armed forces should be redeployed." Alvarez Paz emphasized that such a supranational apparatus would also be useful for "economic integration."

Just how the São Paulo Forum and its neoconservative allies are working together is seen in their joint coordination of efforts to overthrow the government of Venezuelan President Rafael Caldera. On Aug. 23, Venezuelan intellectual Arturo Uslar Pietri, an advocate of the Chilean model for Venezuela, organized a gathering at his home which brought together the so-called "Notables," who played such a key role in dumping former President Carlos Andrés Pérez, and several luminaries of the São Paulo Forum. This was the second meeting of this type held to plot Caldera's ouster, which included a representative of Oswaldo Alvarez Paz, well-known bankers and politicians, as well as retired military officers belonging to the MBR-200 (Revolutionary Bolivarian Movement). The latter grouping, led by the jacobin leftist, ex-commander Hugo Chávez Frís, is also a member of the São Paulo Forum!

Also among the attendees were Pablo Medina, a leader of the Causa-R party, also a member of the São Paulo Forum, and his fellow party member José Lira, who had just returned from the narco-conference in Buenos Aires. Manuel Quijada, an adviser to Hugo Chávez, was also there. Alvarez Paz was not able to attend personally because he was in Mexico City, participating in the above-mentioned International Seminar on Drug-trafficking, Society, and Politics.

Peña Esclusa refutes Uslar Pietri on Chile

Venezuelan Labor Party Secretary General Alejandro Peña Esclusa has exchanged letters with Venezuelan intellectual Arturo Uslar Pietri, on the economic alternatives confronting Venezuela and Ibero-America. Extracts follow.

Peña Esclusa to Uslar Pietri, Aug. 23, 1995:

In an article published recently . . . you recommended to the Venezuelan government that it implement the Chilean economic model. With all due respect, Dr. Uslar, I would like to warn you that the propaganda published by the media on the "Chilean economic model," is a fraud, a fairy tale, an invention of the City of London and Wall Street, to con Latin Americans. . . . I hold you in such high esteem, Dr. Uslar, that I want to save you from the embarrassment of looking bad in the eyes of the country, when the Chilean economy collapses in a few months. Remember that, in 1984, many illustrious voices arose to praise the Mexican model, among those, that of our dear friend Alberto Vollmer, who, 48 hours before the maxi-devaluation of the peso, wrote an article recommending that [Venezuelan President Rafael] Caldera follow the economic prescriptions of [Mexican President Carlos] Salinas de Gortari. . . .

Uslar Pietri to Peña Esclusa, Aug. 24, 1995:

I greatly regret to inform you, that, at no time, have I proposed for Venezuela, the economic model of any other Latin American country, without excluding Chile. Rather, I have been fighting, and I am still fighting, to some day bring to an end the enormous folly, which has caused so much ruin among us, of a statized, command and subsidized economy. . . . You announce, with evident pleasure, the coming crack of the Chilean economy. Unfortunately, mankind has not yet succeeded in inventing an economic system of perfect stability and assured progress . . . but, at the same time, neither have we ever found a system to replace the market economy and its proven capacity for economic and social growth. . . .

Peña Esclusa to Uslar Pietri, Aug. 26, 1995:

With all due respect, Dr. Uslar, it seems to me dangerous for Venezuela that, being who you are, you think that the free market constitutes a solution for the country. I believe that models do exist which have functioned successfully in the past, as, for example, that promoted by U.S. Treasury Secretary Alexander Hamilton in the 18th century. . . . I consider it of vital importance for Venezuela's security and defense, as well as for the survival of Ibero-America, that a broad national debate on economy immediately begin, in which you and I, and all those persons who wish to join us, discuss publicly the economic alternatives which our nation requires. . . .

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Samper exonerated by Cali Cartel partner

by Javier Almario

Colombia's Ambassador to Mexico Gustavo de Greiff, who, on Aug. 16, 1994, acted in his capacity as that nation's Prosecutor General to exonerate newly inaugurated President Ernesto Samper Pizano of charges that his electoral campaign had taken drug money, was a partner of Cali Cartel chieftain Gilberto Rodríguez Orejuela in a company called El Dorado Airlines, according to the daily El Espectador on Aug. 27.

In 1980, while both a partner and president of El Dorado Airlines, De Greiff agreed to take on additional partnerships in the company, including Gilberto Rodríguez Orejuela who is today sitting in a Colombian jail awaiting trial on drug trafficking charges—and his first wife and son. Later that same year, once the Rodríguez family had become majority holders in the company, De Greiff sold his shares to Alberto Giraldo, the Cali Cartel's public relations mouthpiece who used the cover of "journalist" to operate as a high-level agent of political influence for the cartel druglords. Giraldo, who is also in jail, served as the liaison for brothers Gilberto and Miguel Rodríguez Orejuela, for the \$6 million or more those cartel kingpins passed to the Samper Pizano presidential campaign.

After the *El Espectador* revelations, De Greiff admitted that he was indeed a partner of Rodríguez Orejuela, and it is now expected that he will resign as ambassador to Mexico.

Maximiliano Londoño Penilla, president of the Ibero-American Solidarity Movement, had repeatedly demanded the resignation of then-Prosecutor General Gustavo de Greiff, in 1992, 1993, and 1994, charging that De Greiff's actions in that post did not serve in the prosecution of criminals, but rather to propagandize his advocacy of drug legalization. In 1993, EIR published an article which charged that the naming of Gustavo de Greiff as Prosecutor General, of Carlos Gustavo Arrieta as Attorney General, and of Jaime Giraldo Angel as justice minister, was part of a deal brokered by former President Alfonso López Michelsen, in which then-Medellín Cartel boss Pablo Escobar and his associates had demanded pro-legalization appointments to those posts. López's negotiations with the cartel were fully endorsed by the government of Samper's predecessor, César Gaviria Trujillo, who today serves as secretary general of the Organization of American States.

Legalization of the drug trade has been a key element of Samper Pizano's program since at least 1978, when, as president of the bankers' lobby known as the National Association of Financial Institutes, he launched a high-profile global campaign in favor of drug legalization. In 1993, the Colombian Constitutional Court, in evident coordination with De Greiff, legalized the consumption of the so-called "personal dose" of narcotics in Colombia, through which decision Samper hoped to enter the presidency with part of his program already in place.

The Aug. 16, 1994 ruling with which De Greiff absolved Samper says textually that the Prosecutor General's office had reached the "unequivocal conclusion that in the concrete case of the Ernesto Samper Pizano campaign, severe auditing controls had been established from the beginning to make it impossible for any sum of money of doubtful origin to enter campaign coffers." De Greiff's office had based its finding on the official accounting records of the Samper electoral campaign. Today, the manager of that campaign, former Defense Minister Fernando Botero Zea, is in jail, accused by the current Prosecutor General's office of "illegal enrichment" to the benefit of the Samper presidential campaign, and for having falsified campaign accounts.

The national treasurer of the Samper campaign, Santiago Medina Serna, is also in jail for the same reason, and has so far confessed that at least \$6 million of Cali Cartel money went to Samper's campaign. The Accusations Committee of the Colombian House of Representatives is investigating Samper himself for the same causes. Current Communications Minister Armando Benedetti is similarly under investigation for having accepted drug money to finance Samper's campaign on the Atlantic Coast. Samper's wife, Jacquín Strauss de Samper, had to testify before the Prosecutor's office, for having used the funds of an ecological foundation to finance her husband's campaign. Interior Minister Horacio Serpa Uribe also recently had to testify before the Prosecutor's office, under suspicion of using improper means to spy on the Prosecutor's investigations.

Many were absolved

De Greiff, Gilberto Rodríguez's "former" partner, not only absolved Samper, but did the same for Helmer Herrera Buitrago—the only one of the seven top kingpins of the Cali Cartel who is not yet behind bars—along with several other drug traffickers and "former" partners of Gilberto Rodríguez, who were effectively given safe conduct after they personally appealed to him in his capacity as Prosecutor General.

Samper's situation today is desperate. He is clinging to the presidency despite zero credibility, because he believes that his status as President enhances his ability to legally defend himself. He prefers to be judged by the House of Representatives, which is chock full of criminals who took drug money for their own campaigns, than to have to deal

Philip Morris case: Free trade is organized crime

The revelation that Cali Cartel representative Elizabeth Sarria was discussing "concessions" for Philip Morris with Colombian President Ernesto Samper Pizano—revealed in the most recent narco-cassette, and not denied by the President's office—points once more to the tobacco multinational's close cohabitation with drug smugglers and narco-traffickers. There is hardly a police agency in Europe, east or west, that has not run across the trail of Philip Morris and other tobacco companies into cigarette-smuggling and drug-trafficking networks. In fact, the famous Balkan Route, which since the early 1970s has brought heroin into western Europe, was originally used for smuggling Marlboros into the southern Italy cigarette black market run by the Camorra and Mafia.

But are Sarria's mediating concessions for Philip Morris with Samper merely coincidental to her Cali Cartel ties? Not really. According to numerous press accounts, the Colombian cartels created and expanded the domestic black market for Marlboro and other brands as an integral part of their money-laundering system for their narcodollars abroad. Philip Morris, Reynolds, and British American Tobacco (BAT) created a wholesale market for large, container-size shipments of cigarettes precisely as an at-arm's-length method to put cigarettes into the hands of smugglers. The cartels bought the cigarettes with dollars which were recovered as pesos from the domestic black market sales, exactly like the Camorra in Naples, Italy.

Of course, Philip Morris headquarters in New York City, in a discussion with *EIR*, denied knowing Sarria, and also denied that Philip Morris Colombia (which, through its Kraft subsidiary, buys up 25% of the annual Colombian coffee crop) would have anything to do with Sarria's claims of Philip Morris Brazil representatives having come to Bogotá regarding the "concessions." When questioned why Sarria, whom they allege they don't know, would be talking about Philip Morris and

concessions, the representative lamely claimed that "use of the name Philip Morris must have simply been a code word for something unrelated to us."

But when asked whether Philip Morris had been discussing "concessions" with the Colombian government, the answer was, "Yes." BAT, Philip Morris, and the domestic producer Coltabac have been pushing for a reduction of Colombia's cigarette sales tax. "We just had a meeting with the Ministry of Finance on how lowering cigarette taxes would let the legal cigarette trade take hold," he said.

Philip Morris as the great crusader against narco-cigarette-smugglers? Not quite. For Philip Morris, government "interference" in the markets (taxes, tariffs, etc.) creates organized crime; free trade defeats it. With this "free trade" argumentation, Philip Morris tried to patent in France the name "Marley," the surname of a famous marijuana-smoking Reggae singer since deceased, for marijuana cigarettes under (hoped for) drug legalization.

In fact, smuggling (narcotics, cigarettes) is free trade. The tobacco multinationals created the bulk wholesaling of cigarettes to feed supplies to smugglers to break down protectionist barriers. Since the days when British tobacco merchants planted poppy in India in order to ship opium to China under the banner of free trade, to the postwar linkage of cigarette smuggling and narcotics trafficking in Italy, Spain, and, in more recent years, eastern Europe, the powers behind tobacco have been in the middle of illegal drug smuggling. Elizabeth Sarria and her concessions for Philip Morris are merely one phase of a shakedown racket against sovereign governments: If you don't lower taxes, the black market we helped create will drain away more of your tax revenues. It's like the mafioso who comes to your business offering to sell you protection from the guys he hired to damage your property.

Philip Morris has been a key player of the George Bush, Margaret Thatcher-championed free-trade rape of the world's economy. Baroness Thatcher has a \$1 milliona-year contract with the firm to help break down protectionist barriers, and Bush's former White House Chief of Staff Craig Fuller is a senior vice president at Philip Morris.—Roger Moore

with the "faceless judge" system, created precisely to try crimes of drug trafficking. To protect judges hearing such cases, many of whom have in the past been assassinated, the accused are not permitted to see either the judge or the prosecuting attorney, who use special microphones to distort their real voices to prevent recognition.

The late-August resignation of Colombian Ambassador to Great Britain Noemí Sanín adds another nail to Samper's

political coffin. Sanín, who was foreign minister in the Gaviria government, is considered one of the most prominent figures in the opposition Conservative Party, with presidential ambitions of her own. In Colombia, her resignation is seen as the move of an intelligent rat abandoning a sinking ship. Her move also reflects the pragmatic evaluation of her English hosts regarding the future of the Samper government.

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Mubarak rules out Jordan-Iraq conflict

"A Jordanian-Iraqi military conflict is pure nonsense," said Egyptian President Hosni Mubarak in a press conference in Cairo on Aug. 25, the Arabic newspaper Al Hayat reported from Cairo. "I have not heard about these [Iraqi] troops, and I listened to King Hussein's speech. I don't think that military operations can take place between Iraq and Jordan." Mubarak also pointed to evidence that relations between Saddam Hussein, the Iraqi leader, and Jordan's King Hussein are normal

In response to a question on the reason for the American troop deployment, Mubarak answered, "I don't know the circumstances of these moves, and they are called 'precautional.' But I don't believe that there will be any war or special military operations by Iraq against Kuwait or Saudi Arabia. The Iraqi Army is not prepared to take such action."

He added, "The question of toppling the Iraqi regime or not, should be left for the Iraqi people inside the country. They are the ones who decide."

Andreotti charges plot by drug traffickers

Former Italian Premier Giulio Andreotti, who faces a political trial in mid-September on charges of being the "head of the Sicilian Mafia," has accused drug traffickers of being part of the judicial plot against him. In an interview with the September issue of the Rome-based magazine Liberal, Andreotti states: "I believe that the collapse of the system I belonged to, has been effected also by somebody's work to eliminate a certain number of people. I believe that there was a convergence of international interests, not at a single government level, but of interest groups, even Mafia groups. Yes, I believe that the drug traffickers went into action too."

The context for Andreotti's statements is

EIR's recent publication and translation in Italian language of the Cali Cartel connection to the "permanent bureaucracy" of the U.S. Justice Department. This apparatus runs the Federal Witness Protection Program under which Andreotti's main accuser, mafioso Tommaso Buscetta, was recruited.

Andreotti commented on the long sequence of Italian politicians who have trekked to the City of London in search of "legitimization" since the collapse of the traditional parties, including his own Christian Democracy, which dominated postwar politics in Italy: "They seem to me a bit ridiculous. And a bit provincial. I never felt the need, nor the wish, to go to the City. Nevertheless, I have ruled."

Italian journalist doubts Sarajevo 'accident'

In an article in the Italian daily La Stampa on Aug. 20, journalist Giuseppe Zaccaria cast serious doubt on the official version of the "accident" in which members of an American diplomatic delegation died on its way to Sarajevo on Aug. 19. Zaccaria based his allegation on personal familiarity with the site.

Zaccaria reports the version he got on the phone by Vittorio Pennarolli, head of the Italian diplomatic mission in Sarajevo: "The American delegation traveled in a convoy of seven French armored vehicles. It seems that at a particularly tight curve, one of the vehicles drove off the road and, sliding downhill, ended right in the middle of a minefield."

Zaccaria asks: "A minefield? And where, in which downhill, in which part of the route?" He explains that the only part of the route where that could have happened, starts a few kilometers after the last Bosnian checkpoint on Mount Igman. The road goes down in very steep s-curves and normally, except in the curves, is exposed to Serbian fire. There, cars drive fast enough to escape Serbian fire. But this was not the case with the American convoy.

"The first question," Zaccaria writes,

"is: for which reason did the convoy transporting the American mediators drive so fast as to drive off the road? . . . All diplomatic sources say that the Serbs had been warned and that therefore no artillery shell. should have been mistakenly fired on the scurves which conclude the rally. Second question, so far unresolved: Where exactly, at which point of the road, did the French armored car go off the road? . . . French armored drivers, one presumes, must have driven on that road several times, therefore they knew it well. But above all, one cannot understand who would have laid the mines which blew up the Frasure-Kruzel-Drew car, according to the version so far distributed. . . .

"Notoriously, both the French blue helmets and the Bosnian Army place mines around their checkpoints after sunset, and deactivate them when the checkpoint reopens."

On Aug. 21, La Stampa reported that one of the American diplomats killed, Robert Frasure, was known for his "skeptical" views on any scheme for the partition of Bosnia along ethnic lines.

U.S. hopeful for peace in Sudan

The United States embassy in Khartoum expressed its satisfaction over the release by the Sudanese government of 31 political prisoners, including a former prime minister and leader of the Umma opposition party, Assadiq Al Mahdi. A communiqué issued by the U.S. embassy on Aug. 28 in Khartoum and reported in Al Arab, referred to the government's determination to hold legislative and presidential elections next year and regarded it as a "positive step that confirms respect for human rights."

The Sudanese daily Al Rayi Alakhar reported that the Sudanese government held talks with the various opposition parties inside the country and abroad, and with the prisoners themselves, before they were released.

Opposition leader Assadiq Al Mahdi was

reported by the Arabic daily Al Arab to have called for a national reconciliation conference in which all political groups can participate to find solutions for Sudan's economic and political problems. He confirmed his rejection of any foreign interference in Sudan's internal affairs. He told the Sudanese daily Akhbar Al Yawm, that he "supports a dialogue with the General Al Bashir government, in order to settle Sudan's problems, including the war with the southern rebels."

In related news, the U.S. Embassy in Nairobi, Kenya issued a communiqué strongly condemning the killing of more than 200 inhabitants of villages in southern Sudan, by John Garang's Sudanese Popular Liberation Army on July 30. The communiqué added that "the majority of the victims were children. Moreover, thousands of civilians have become homeless, after their villages were burned." It demanded that the "SPLA conduct an investigation in these barbarous acts." This was cited in the London Arabic paper Al Hayat on Aug. 25.

Zagreb cardinal replies to Orthodox charges

In an interview with the Italian daily *Corriere della Sera* on Aug. 27, Cardinal Franjo Kuharic attacked "unjust" peace plans based on ethnic partition schemes.

"The pretension of a state uniquely composed by one ethnic group is a Nazi conception," said Kuharic. He replied to an interview with the Orthodox metropolitan, previously published in the same newspaper, who had compared Franjo Tudiman to Hitler and accused the Croatian President of running mass deportation of Serbians. "Croatia," Kuharic says, "has invited the Serbs to stay . . . relationships among peoples must be based on respect and justice. This does not exclude pardon and reconciliation. Since the beginning of the war, I have said to the faithful that they must forgive, protect those who destroy our houses, to respect the enemy and the lives of his relatives. I said that to our soldiers, too.'

As to the Orthodox church, Kuharic

states: "We met the Orthodox authorities five times. On moral principles we agree. Then, when we speak about responsibilities, the Orthodox say that the Serbs have been attacked, that they are the victims. Between Milosevic's moderate line and the criminal Karadzic, they chose Karadzic: They consider him a patriot! The Orthodox bishops say: Serbs fight for their homeland, against the Islamic penetration in Europe and against Catholic penetration in the Balkans. It is Hitler's principle: The Serbian territory must be cleansed."

Dalai Lama fishes for trouble in Mongolia

The Dalai Lama, the exiled theocratic leader of Tibet who resides in India, visited Mongolia for a week during the first part of August, the *International Herald Tribune* reported in an exclusive article from Ulan Bator on Aug. 25. The newspaper reported that Bakula Rinpoche, the Indian ambassador to Ulan Bator, was "a key figure in the political maneuvering to bring the Dalai Lama to Mongolia."

Located between China and Russia, Mongolians "must preserve their culture to be independent, and that culture is Buddhism," the *International Herald Tribune* quoted Rinpoche.

The Dalai Lama conducted a series of public meetings, attended by up to 10,000 people, to revive lamaism, which had been forbidden by the pro-Soviet government of Mongolia since 1937. Some older monks are hoping that the Dalai Lama's visit will stimulate "learning exchange programs" between Tibet and Mongolia.

Since 1990, the London-based Tibet Foundation has been sponsoring programs sending Mongolian monks and nuns to Dharamsala, the headquarters of the Dalai Lama in India, and has brought "teachers" to Mongolia. The Dalai Lama acts as an asset of Prince Philip and the World Wildlife Fund, and works with foreign interests seeking a Tibetan insurrection to help to destabilize China.

Briefly

- UWE BARSCHEL, the German state governor who was mixed up in shady east-west arms deals, was poisoned after he lost consciousness, the latest forensic probe establishes. Barschel's death in 1987 was ruled a suicide, but a new investigation has been opened. EIR has always questioned the suicide thesis.
- FELIPE GONZALEZ, the Spanish prime minister, will be investigated on charges of having personally set up the anti-terror unit GAL with its death squads in the early 1980s. The document which is the basis for the investigation was published by El País on Aug. 23.
- BARONESS CHALKER, the British Overseas Development Minister who has been promoting genocide in Africa, was asked on Aug. 28 in the House of Commons how to respond to the latest Serbian massacre in Sarajevo. She said there should be no military response.
- JIANG ZEMIN, the President of China, may meet President Clinton in late October in Washington. Undersecretary of State Peter Tarnoff said in Beijing on Aug. 27 that the United States and China had agreed to prepare for a summit.
- THE POLISH Catholic weekly Lad published in August a front-page interview with Helga Zepp-LaRouche, conducted during the visit of Mr. and Mrs. LaRouche to Poland in June.
- UMBERTO BOSSI, the chief of the pro-separatist Northern League, has authored an article published in the Italian daily *L'Indipendente* under a pseudonym, in which he threatens the use of armed violence if the league's program is not adopted.
- CAMEROONIAN students who were gathered for a national convention of their association, CAMSA-USA, in Houston, Texas on Aug. 21, heard LaRouche spokesman Larry Freeman address a political panel.

EIR National Economy

Paradoxes of Belarus in the post-Soviet era

by Konstantin Cheremnykh

The author recently returned from a visit to Belarus, where he was part of a delegation representing the Schiller Institute and EIR.

On May 14, the people of Belarus Republic answered the four questions of the referendum held under the order of President Alexander Lukashenko. Over 75% of the population said "yes" to the state symbol resembling (but not equal to) the symbol of the Belorussian Soviet Socialist Republic: the flag with a wider red and a narrow green stripe, the latter decorated with a traditional Belorussian ornament, but without a gold hammer-and-sickle and star, and the heraldic with rye ears filled with grain on both sides. The armed horseman with a Greek Catholic cross on his shield, and the vertical red-white-red stripes of the flag adopted three years ago appeared to be quite unpopular. The overwhelming majority (83%) of the population also supported the idea that the Russian language, along with Belorussian, should become an official language of the republic. Third, by a margin of 82.4%, voters supported the actions of the President of Belarus aimed at economic integration with the Russian Federation. Finally, the people of Belarus expressed their support for the President's right to dissolve the Parliament, in case of systematic or grave violation of the Constitution. The last question was approved by 77.6% of the voters.

The elections to the Belorussian Parliament, conducted simultaneously with the referendum, were not completed because of a high requirement of voter participation for the results to be considered legitimate (50%, and not 25% as in other post-U.S.S.R. states including Russia). The second round of elections will be held in December. But in 48% of the districts where the elections were completed, they

demonstrated the popularity of the Agrarian Party candidates, as well as other representatives of the productive sector of the economy. At the same time, not a single representative of the Belorussian People's Front, the vanguard of the liberal nationalists, was elected to the new Parliament. Even were the threshold 25%, BPF leader Zenon Pazniak would be second, and not first in his district.

The elections were conducted according to the majoritarian principle, that is, no party slates were used. Parties could declare their support to those whom they put forward, but all the candidates had to win a majority of voters in their districts. This system was introduced by President Lukashenko, together with a high minimum number of voters, as "the better way to ensure that the new parliamentarians are real representatives of the people." One may like such a system or not, but still nobody can doubt that it offers more equal possibilities for candidates than any other.

The liberal press, both in Belarus and Russia, prefers to regard the results of the elections as a "backlash of Communist and Pan-Slavist forces." This is not true, as any really independent observer can easily verify: First, in July 1994 the candidate of the Belorussian Communist Party (PKB) Anatoli Novikov won only 4% of the voters, even less than Pazniak, and President Alexander Lukashenko, recently accused by the international speculator and geopolitical meddler George Soros of "transforming Belarus into a national park of Communism," has *never* been a CPSU apparatchik, in contrast to Yeltsin, Shevardnadze, Nazarbayev, or Karimov. Furthermore, in the 1995 parliamentary elections, the Agrarian Party proved to be more popular than the Communists. The Pan-Slavist Slaviansky Sobor Party, though more influential here than corresponding structures in Russia and

Ukraine, was unable to promote any of its own candidates into the new Parliament.

Paradoxically, in Russia, where the economy has suffered more profound liberal "free market" changes, the Communist Party became the only real popular party, with its candidates winning a majority in most of the local elections. So, it becomes clear that economic shock therapy is more likely to return the population to communist views, based largely on nostalgia for the stable and relatively prosperous 1970s. Belarus was lucky to avoid the sweeping social disaster of 1992, and economic disorder produced by total and uncontrolled privatization. In Russia, this disorder, enhanced by an immense social stratification, and by criminalization of all spheres of life, is causing more and more people to embrace the idea of dictatorship as the only means for saving the economy and nationhood, and even liberals are seeking a general's figure for the presidential elections. In Belarus, you see nothing of that sort: None of the Army representatives is popular or even well known. Citizens usually even don't remember the name of their defense minister; there have been three chiefs of the military in four years, and none was popular. Nor do former KGB generals, comparable to Sterligov and Bobkov in Russia, seem to seriously influence Belorussian political life.

You have to walk along the streets of the capital, Minsk, and along the roads of its suburbs, and you will probably understand the reason for this difference with Russia. The suburbs of Moscow and St. Petersburg project a striking contrast between the luxurious mansions of the "new Russians" resembling medieval castles and surrounded with high fences, and the shabby wooden huts of those who haven't got used to the new way of life and the new "morality." In major Russian towns, underground passages are crowded with beggars and vagabonds who sold their apartments or were driven out of them by criminals, and in the main streets you see hundreds of imported cars of the best designs, their owners spending time in luxurious restaurants and casinos.

I did not manage to find a single casino in Minsk. Maybe there are some, but their advertisements are not constantly in your face, as in Moscow. The "new Belorussian" is hard to pick out, and when you occasionally see a stout person with hair cut short, dressed in fashionable imported clothes, this figure is not surrounded by a flock of bodyguards looking like professional gangsters. The city is as clean as it was 10 or 20 years ago, and no hundreds of billboards distort its image.

This "mystery" of Belarus can't be explained by clinging to Soviet traditions, or by a lack of western influence. After 1991, the republic was in the same situation as the other post-Soviet states. Still, the crash of Communist power was not followed by the same social breakdown and moral degradation as in Russia. Does this mean that the people are more passive, or rigid here, or even "blunt," as one national radical said about his own Belorussian fellow citizens? Do the results

Belarus and its neighbor-countries



of the referendum really mean that this people does not recognize its own identity, or is ready to give up its own culture?

To answer these questions, to analyze the reasons for such a striking lack of popularity of liberal nationalists, and to understand the difference between the Belorussians and the other post-Soviet peoples, we have to look into the history of this country at the crossroads of different cultures, traditions, and trade routes.

At the crossroads of cultures

Minsk was first mentioned in the chronicles in 1063, and is not the oldest city in this region. Polotsk, Turov, and Vitebsk are older, and it is remarkable that these old towns have not been turned into ruins by the centuries, but are still important industrial and trading centers. The memory of the past still lives, despite the tragedies and destruction brought here in the incessant struggle of the eastern and western superpowers.

On medieval maps, White Rus was a huge territory from the Baltic Sea to the Volga River, including the ancient Novgorod town (Great Novgorod) on the Volkhov. To the east came Great Russia, to the south Red Russia and Black Russia (names no longer used). These were names of historical regions, not of States. The first great Russian State, Kiev Rus, already included most of the territory of the modern Republic of Belarus; at this time Mensk (Minsk) was first mentioned in connection with one of the drives of Vladimir the Baptist. The name Mensk was derived from either the word "mena" (exchange), being a trade center for centuries, or more likely

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from the Mena River that later disappeared (many other towns, like Vitebsk or Slutsk, were called after rivers). Since the 12th century, in the period of disintegration and the ensuing Mongol invasion, this region was divided among several Russian knights who waged wars against each other, often with assistance from the Mongol khans. The strongest of those was the Polotsk knighthood. Knight Vseslav had a strong army that even once occupied Novgorod. After his death, the territory became a battlefield for the feudal troops of the Polish, Swedish, German (Teutonic), and Lithuanian oligarchies. In the 14th century it was dominated by Lithuania, at that time partly pagan, partly Orthodox. In 1389 the Lithuanian Orthodox knight Jagiello married the Polish Catholic princess Jadwiga, but this event did not lead to peace between the Christian churches.

The situation became more complicated after the late 16th-century Union of Brest, when the Greek Catholic or Uniate Church emerged (professing the Eastern Rite and discipline, but submitting to papal authority); later, part of the elite converted to Calvinism. Paradoxically, it was the Greek Catholics who most provoked polarization between the major Christian confessions. One of their bishops, Josaphat Kuntsevicz, is remembered for his cruelty. Peter the Great of Russia, who also conducted wars against the Swedes on this territory, was so furious when he saw a fresco with his portrait, that he killed several Greek Catholics on the spot.

The Russian Empire regained the region at the end of the 18th century. Soviet historiography regarded this event as the liberation of the Belorussian population from the power of the Polish oligarchy (Szlachta). Actually, the Rzeczpospolita (the commonwealth of Poland and Lithuania formed in 1569) was a period of a tense clash between the Catholics and the Orthodox which involved the whole society (part of the local Szlachta were also Orthodox believers, and financed the erection of the now existing cathedral, in 1613). This confrontation between the two confessions and churches, often taking brutal forms, tore the national intelligentsia in two directions. Tadeusz Kosciuszko (1746-1817), Belorussian-born, became a leader of the anti-Russian revolution in Poland, in which the later famous Polish poet, Belorussia-born Adam Mickiewicz (1798-1855) also participated. [Mickiewicz called Lithuania his fatherland, although is birthplace is now in Belarus—ed.] On the other hand, 17th-century poet and scientist Simeon Polotsky, a scion of the Orthodox Christian aristocracy, greeted the reunification of Belorussia with the Russian Empire, and left for Moscow, becoming a tutor for the children of Czar Aleksei Mikhailovich, Olga and Peter. The most radically Orthodox of all the Russian classics of literature, Fyodor Dostoevsky (1821-81), was a son of a Szlachcic of Belorussian origin.

According to the 1953 Soviet Encyclopedia, the Belorussian literary language began with Georgi Skorina, a scientist and enlightener who adopted a Polish name, Francisk Litwin, in order to enter Warsaw University. This version of history

was accepted by the first leadership of the new Belarus Republic, which renamed Lenin Prospect, the main street of Minsk, for Francisk Skorina. Actually, Skorina wrote in the Russian language with some additions from Polish, and issued a popular version of the Orthodox Bible, calling it the Russian Bible, being also the author of a *Grammar for Russian Children*.

So, the first paradox we face in Belorussian history is the fact that this people generated statesmen and writers who expressed national ideals for neighboring countries and cultures. This paradox gave an unexpected result in the second half of the 19th century, when St. Petersburg, founded by Peter I (the Great), became a cradle for both Belorussian and Ukrainian nationalism.

Kastus Kalinowsky, leader of the Belorussian peasants' insurrection in 1863, regarded as a "revolutionary democrat" by Soviet historians, and a popular hero by modern Belorussian liberal nationalists, was Polish-born, and his activity was mainly concentrated near Vilno (Vilnius—now in Lithuania). But he got his education at St. Petersburg University, which played, in the 19th century, the role of the Sorbonne in Paris. At the same university a young and talented poet, one of the first authors in literary Belorussian, Maxim Bogdanovich, became a poet of Belorussian independence. He died prematurely, before Belorussia became a Soviet Socialist Republic, and therefore the Soviet power also recognized him as a "revolutionary democrat." Still, his best poems in Belorussian were not revolutionary but lyric poems, dedicated to a Russian girl whom he loved. Now Gorky Street in Minsk is called Bogdanovich Street, and is decorated by a monument to the poet, erected . . . in 1986. Two contemporaries of Maxim Bogdanovich, the poets Yanka Kupala and Yakub Kolas, lived until their death in Soviet Belorussia, and wrote in the literary Belorussian language. Although they contributed much to the national culture, the Popular Front could not regard them as national heroes: They both were Communists, and members of the U.S.S.R. Writers' Union.

On Aug. 8, 1995, another patriarch of the Soviet Belorussian literature, 82-year old Maxim Tank, died. He had also written most of his poems in Belorussian, but was not eager to join the nationalist movement of the 1990s. Still it is remarkable that his funeral tribute was signed by all the prominent representatives of today's Belorussian culture, including nationalists Nil Gilevich and Vasil Bykov, along with those who consider the Belorussian statehood and culture as part of the Russian. Maybe this sudden accord was a more telling sign of national recognition than the Popular Front's attempts to counterpose everything Belorussian to everything Russian—attempts that ended in a complete failure; as shown by the results of the elections and the referendum.

Such an accord of political opponents is not to be imagined in post-Soviet Russia. The Russian intelligentsia is torn

into "democratic," actually liberal-cosmopolitan, "patriotic," actually blood-and-soil, and "socialist," and each of them is also divided into groups hating each other. Sooner or later, the real national intelligentsia will identify itself and emerge as a creative force, but this period has not come yet.

The death of Maxim Tank, a real people's poet, underlined the struggle inside the Belorussian creative intelligentsia, between its pro-Russian and anti-Russian representatives. It is clear now that the memory of the people recognizes the real value of creative work, and that those who build and defend, not destroy and spoil, will be remembered by posterity. Fortunately for Belorussian culture, its internal struggle has not destroyed its very foundation, as happened with the Russian culture in the fight between neoslavophiles and neo-westernists. I am sure that in 50 years the name of 20-year-old Natalia Divina, who writes wonderful lyrics both in Belorussian and in Russian, one language enriching and developing the other, will stay in the memory of the people, unlike the New Age-Pagan, sexually troubled verses of the "national revolutionary" Slavomir Adamovich, who covered the walls of his apartment with photos of naked girls, placing his own photo, also naked, in the middle.

Of course, the grotesque figure of Adamovich does not represent the whole circle of isolationists and westernizers of Belorussian culture, but it portrays their spiritual inconsistency and historical failure. It is remarkable that war veteran and formerly respected Soviet writer Vasil Bykov, who joined the national liberal crowd in late 1980s, now speaks of his fellow citizens with the same contempt as the neo-Nietzschean Adamovich, admirer of the pro-Nazi Armiya Krayova. Is he a better patriot of his country than the Pan-Slavist painter Mikhail Savitsky, whose pictures of the Chernobyl tragedy are able to melt the iciest heart?

Centuries of clashes of empires and cultures on the territory of today's Belarus left a heritage in the people's memory, as in western Ukraine. Yet this heritage has not made the population politically high-strung and prone to unrest. On the contrary, this part of the Russian Empire, and later of the Soviet Union, was the quietest place. It seemed that this people has worked out a certain historical wisdom, protecting it from being manipulated and torn into parts confronting each other—actually, an immunity from being drawn into oligarchic clashes. For the liberal wave of the late 1980s, the Belorussian was the toughest material. The attempt to revive the conflicts of the bygone past turned into failure.

The failure of the national-liberals

Some liberal journalists belonging to the Popular Front crowd express their profound sorrow at the fact that their fellow citizens "don't want" to speak their "mother tongue," *matchina mova*. But the fact is that you don't hear literary Belorussian in popular speech. Even the activists of the Popu-

lar Front usually communicate in Russian, if they are not at an open meeting. Pazniak himself changed the spelling of his name twice to make it look more national: Pozdniak-Pazniak-Paz'niak. But in the streets of Minsk you never hear people speak the language that is spoken on TV and in the Parliament.

The argument that the Soviet power, allegedly, had done its best to oust the Belorussian language, does not ring true to anybody who knows the history of the last two centuries. Actually, the language was formed, and became a part of the country, no later than the second half of the 19th century on the basis of East Russian dialects and some expressions from Polish and German. The introduction of the language into the population was an initiative of a relatively narrow circle of the intelligentsia. If this language had really been suppressed by the Communist power, it would have certainly disappeared. Most written Belorussian belongs to the culture of the Soviet period, when newspapers were legally printed in the newly minted language, and Russian poets were translated into Belorussian by the same Yanka Kupala and Yakub Kolas who can be recognized as the real founders of the national culture.

This language was also used during the Nazi occupation, as the Hitlerites wanted to use it for counterposing Russian and Belorussian culture. But the Belorussian Soviet Republic suffered most during the Nazi occupation: Every fourth Belorussian died in 1941-45. It was not very clever of the Belorussian People's Front to introduce the same national flag, red-white-red, that decorated the building of the Nazi commandant's headquarters in Minsk during the occupation.

Another thing that was quite stupid was the attempt of Zenon Pazniak and his mates to counterpose Catholic believers to Orthodox believers. With such methods as he used, Catholicism could become even less popular than it is already (about one-fourth of the believers in 1991). He tried to combine religious revival with pragmatic political actions, and too actively tried to use the new Poland's influence for it. His Catholicism meant Polish flags on Catholic churches, often in tandem with portraits of Polish leader Lech Walesa. Moreover, in order to be popular with youth, the BPF organized rock concerts and avant-garde art exhibitions. When this did not bring political results, the BPF dropped the religious facade and traded it for propaganda about "European" (meaning liberal) "values." It is remarkable that this shift coincided with the peak of "cultural" activity of the Soros Foundation, which financed several joint meetings of the Belorussian liberal parties, and even founded a "New Age"-style liberal youth organization.

Remarkably, the liberal nationalists, who were seeking to base themselves on some traditions of the people, were more often trying to exploit not the Christian religion, but paganism. In 1991, they published a sort of "catechesis of a Belorussian" written in 1918 by Vatslav Lastovsky. This small booklet is of specific interest for researchers into neo-

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paganism.

Vatslav Lastovsky had also spent two years at St. Petersburg University in 1890s, but not as a student: He failed the examinations and attended lectures as a "volunteer," and later worked as an apprentice in a shop. In 1918 he became one of the founders of the Belorussian People's Republic that was summoned after the Treaty of Brest was signed [between Russia and Germany], on the territory occupied by German troops. Lastovsky's booklet is something like a "short course" of history and morality, containing grotesque historical lies together with a list of "obligations" all Belorussians should follow.

Lastovsky starts his mythology with a notion that the Belorussians belong to the "Slavonic tribe of the Aryan nation" (!). He denounces all the contributions of the Belorussians to the culture of the Christian nations, being hostile both to Russia and Poland, to both Orthodox and Catholic traditions. He emphasizes that the "original" Belorussian culture was based upon the cult of Yarilo, the pagan god of the Sun. He insists that "a true Belorussian has to wear clothes that his wife weaves, not manufactured cloth." A Belorussian man, he writes, can marry only a Belorussian woman.

The founder of the 1918 Ukrainian Republic, Professor Grushevsky, had a different approach to the same question. He even wrote a polemical article, "Is Ukraine only for Ukrainians?" insisting that Russians should take active part in the management of the independent republic. Lastovsky's "catechesis" brings to mind modern "national park" Britishmade environmentalist-paganist projects.

Lastovsky writes that "the true Belorussian territory" includes the Smolensk region of Russia, and among the other nations he "figures out" Germans as the most numerous nation. Now let us recollect the period of time when these ethnic "calculations" were conducted. The booklet was written at the time of the discussion of the Treaty of Brest in the Soviet leadership, in which Leon Trotsky supported the "zero variant" that brought chaos on the whole western front, and prolonged the Russian-German war under the pretext of some "obligations to the German proletariat." As we know, Trotsky's partner in the "German proletariat" was a mastermind for "Greater Turkey," "Greater Germany" and other British war propaganda projects, Alexander Helphand (Parvus).

The leadership of the Belorussian Popular Front paid their tribute to the pagan traditions, organizing, in 1990, a mass public rally at a place where (according to his version) victims of Stalinism were buried, on the day of a pagan holiday, Dziady (Grandfathers' Day). Later the front seems to have forgotten this date, and the remains of victims, possibly of both Stalin's tyranny and the Nazi invasion, are robbed by criminals. But in 1994 Mr. Pazniak (or Paz'niak? ask a Minsk citizen—you'll get no definite answer) turned to Waclaw Lastowski's heritage once again, claiming that Russia should "return" the Bryansk and Smolensk regions to Belarus! After such a declaration he lost popularity even in the Russian

liberal circles, being considered "not a serious politician."

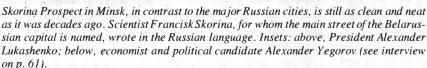
The BPF's foreign supporters were obviously of a different opinion. In February, Pazniak was invited to London. On his return, he was green as a crocodile. Reminding the fellow citizens of the Chernobyl catastrophe that had seriously affected the Belorussian S.S.R. in 1986, he tried to organize them against some military targets belonging to Russia. For some reason, his backers seem to know these targets in detail. The next month, former nuclear research worker Vladimir Linyov, now editor of a British ecological journal, summoned a conference called "Geopolitics, Science, and Progress," and declared his intention to unite, once again, all the democratic forces of the country. Pazniak's liberal rival, United Democratic Party chairman Alexander Dobrovolsky, disliked Pazniak and even voiced a suspicion that he was a KGB agent (Pazniak responded in the same vein, and even snubbed conferences where Dobrovolsky was present).

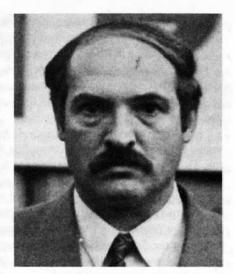
In March, the liberal members of the Belorussian Supreme Soviet tried to sabotage the referendum proposed by the President, and organized a hunger strike, but after a night of staying in the House of the Government, these 20 persons were driven out by the police. Not a thousand, or even a hundred people turned out the next day to show their support for the "defenders of the nation." The liberals' attempt to prolong the rule of the old Supreme Soviet (they expected they would not be reelected) played a bad joke on them: The election originally scheduled in March was delayed till May, due to their own efforts, and almost coincided with Victory Day. So, the result of the elections and the referendum could be predicted. Still, the liberals, having support from abroad, did not expect such a complete fiasco.

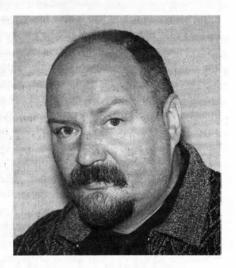
Alexander Dobrovolsky now distances himself from Pazniak, and is trying to form a union with a small, though rich, centrist Civilian Party. At the same time, the Social Democratic Assembly, formerly Pazniak's ally, is "marrying" the newly formed nomenklatura-run Social Democratic Union. To proclaim its concern for working people, the new alliance celebrated its founding in the memorial museum of the First Congress of the RSDRP, the forerunner of the Communist Party of the Soviet Union. The festivity was spoiled by several Communist activists angry at the political chameleons' attempt to defile their holy place. The liberal paper *Free News* commented that one of these Communists "had a specific shape of eyes."

We don't know what the paper meant. Maybe the fellow was of Central Asian, Tatar, or Jewish origin. The fact is that the liberal mass media are acquiring a racist hue, and this is characteristic not only for Belarus, as we know. The "conservative revolution" climate influences Zenon Pazniak, too. In late July, Russian and Belorussian liberal papers reported that Pazniak, 51, married for the first time in his life. The Moscow Sevodnya, which previously mocked Pazniak's "annexing" plans, adds that "now there will be less ground for suspicions." The version that Pazniak is a homosexual is









widespread in Belorussian political circles. But previously this rumor apparently did not trouble the self-identification of this "Catholic." Ironically, Mr. Pazniak's spouse appeared to be a teacher of his most hated Russian language.

No trust in chameleons

In Belarus, our delegation had meetings with several members of the President's administration, as well as many specialists and creative workers, representing the intelligentsia of this country, ranging from sociologists to economists, historians, philologists, painters, theologians, actors, and cinema man These people are not of the same thinking, and their views of the future of Belarus are all different. But they have one thing in common, their understanding of the central, tragic paradox of the Belorussian nationhood and economy.

On the one hand, it is clear for them, including the liberalthinking economist Yegorov (see interview), that the future of the country will be, as it has been, associated with the Russian Federation. At the same time, there is no distinct political force, clan, or group of leaders in Russia that is really interested in productive cooperation with the Belorussian leadership, despite its clear pro-Russian orientation.

The Moscow Sevodnya paper that now mocks Zenon Pazniak, was very serious after the presidential elections in Belarus in 1994. When it was clear that Alexander Lukashenko, a modest sovkhoz (state farm) director from Gomel Province, had defeated the former prime minister, Vladislav Kebich, the paper was furious. Its political observer, Mikhail Leontyev, an oil lobby mouthpiece, sneered that "one should not let mental patients elect the hospital's director."

The rage of the oil exporters' lobby was easily explained. Vladislav Kebich was its man, with an image of an "integrationist" for the population of Belarus, but totally dependent on the "fuel elite," like Ukrainian President Leonid Kuchma. With Lukashenko, some unexpected things could happen. And they were right. When Lukashenko suggested to Yeltsin that the tariffs should be lifted, that move primarily affected the interests of oil companies who profited from the price differences. Lukashenko evidently upset the plans of some western partners of the Russian elite. When the tariffs were lifted, the necessity of purchasing oil from Turkey, and therefore, participation in British Petroleum's project of the Black Sea-Baltic Sea collector oil pipeline proved unnecessary for Belarus. That was probably the main reason for the attack on Lukashenko that began in both Russian and Belorussian "business" mass media.

During his presidential campaign, Lukashenko promised voters he would struggle with corruption in the state apparatus. The first thing his opponents tried to do was to prove that the President is also corrupt. A special report was prepared on this occasion, containing facts that had to be proved by court. Lukashenko did not allow the report to be published before the investigation was over. Several liberal papers, including the Supreme Soviet's Narodnaya Gazeta, joined the campaign against him, yelling about civil rights. A probe showed that the report was based on complete fraud; the only thing his rivals found was a new fence around Lukashenko's house in his native village built by his own wife, and still no hint of corruption. Later, after a new series of attacks on the President, Narodnaya Gazeta's editor, Josip Seredzic, resigned under the President's order. Maybe this member of the Belorussian Soros Foundation is not corrupt, but he has finances for issuing his new private newspaper, called Narodnaya Volya (People's Will). Under this name—echoing the name of the terrorist organization that killed Russian Czar Alexander II—Mr. Seredzic publishes admiring materials about Dr. Sigmund Freud, and other "useful" things.

New offensives born in Moscow shot out from the liberal *Izvestia*, a retranslation of the London *Financial Times*, and the Gorbachovist *Komsomolskaya Pravda*. After the last insulting article in early August, Lukashenko declared that he would be forced to stop the distribution of some Russian mass media in Belarus. (I am sure that many Russians regret that he can't do the same with the liberal press in Russia itself, which constantly ruins morality and undermines Russian nationhood.)

The same *Izvestia*, in late 1994, published secret documents from the President's staff that exposed the struggle to prevent Russia from yielding to International Monetary Fund conditionalities. It should be noted that the Belorussian President resisted IMF pressure for over a year, whereas Russian Prime Minister Chernomyrdin "surrendered" in two months.

Only after the Russian ruble more or less stabilized with respect to the dollar, did President Lukashenko agree to fulfill the IMF's demand to liberalize utility and transport rates. But as soon as he agreed, the same liberal press which was pushing him into the IMF embrace started a "leftist" attack on behalf of retired people who will not be able to afford the new fares. The nomenklatura's new "social-democratic" project is also apparently designed for the same purpose.

One of the partners of the newly formed "leftist" alliance is called "Our Home Is Belorussia," resembling the name of Chernomyrdin's "party-of-power" (cf. "The Cracks in the

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House that Chernomyrdin Built," in *EIR* of Sept. 2, 1995), "Our Home Is Russia." This is evidently not pure happenstance: Previously Sergei Shakhray and Arkadi Volsky tried to create parties as assets here, transforming the names of their Russian mother structures into a Belorussian fashion. And Dobrovolsky was twice visited this year by Arkadi Murashov, manager of former Russian Prime Minister Yegor Gaidar's "Democratic Choice."

The fact that the Belorussian presidency is constantly undermined from Russia demolishes the BPF's arguments that Lukashenko had "sold Belarus to Moscow." The incessant conflicts in the Moscow nomenklatura do not allow Lukashenko to rely upon any of its participants, though many of them visit Minsk. On Aug. 4, Moscow Mayor Yuri Luzhkov was a guest in Belarus. One Minsk official gave the following explanation of his visit: "It seems that Russian leaders are trying to gain more popularity in Russia by visiting Belarus. So, we are used as a card in a big game."

The geographical situation of Belarus makes it a site, a target, and a possible victim of many political games played by the post-Soviet nomenklatura together with its western masters. This is understood in Minsk, and therefore, despite declarations of friendship, the republic is trying to work out a foreign policy of its own. In August, new agreements were signed with representatives of Iran and Turkey. In February, Lukashenko visited China, bringing new contracts for the industrial enterprises. It is especially important to save State sector industry, and the President understands this well.

The decline of industry has gone on for three years, and the State leadership has not managed to stop it, despite declarations and sincere intentions. The situation is especially severe in the machine tool industry, where the collapse reached 75% for the last year. The 1994 figures show an increase, ironically, only in the production of vodka. Liberals blame Lukashenko for not privatizing heavy industry, insisting that the enterprises should "find their way out" themselves, without any support from the State budget, and also for not attracting foreign investment. But it is no wonder that foreign companies are not very eager to invest, because of the myth of "communist dictator Lukashenko," spread by the same liberals.

Actually, the economic decline is the result not of the lack of shock therapy, but of the destructive processes in the Russian economy, with which Belorussian industry had been closely tied for decades. For example, over 20 Russian factories supplied the Minsk Tractor Plant. The tariffs at the Russian-Belorussian border tore up numerous links of economic cooperation, and now, when the tariffs have finally been lifted, it will be very difficult to restore what was ruined.

The pro-Russian orientation of the majority of the Belorussian population has primarily economic grounds. It is well understood here that the economic disintegration in the former U.S.S.R. is a result of selfish interests of the corrupted bureaucracy of the Gorbachov period. A cartoon in one of

the newspapers depicts the former Soviet territory cut into a hundred pieces by a multitude of State borders. The caption under the picture is a take-off on a Nikolai Gogol story, "How Boris Nikolayevich Quarreled with Mikhail Sergeyevich," with Yeltsin and Gorbachov standing in for the original title characters (in Gogol's tale the two characters look the same, think the same, and behave the same, and quarrel about something totally irrelevant).

Former Prime Minister Vladislav Kebich had no chance of being elected President in 1994. After he supported the "sovereignization" in 1991, people did not trust his rhetoric of "reintegration" three years later. He failed, despite support from the Russian elite, and also from many influential bodies inside Belorussia, including the Exarch of the Orthodox Church!

Alexander Lukashenko was the only member of the Supreme Soviet of Belarus who voted against signing the Belaya Vezha agreement in 1991, which put an official end to the U.S.S.R. This document, signed by the Presidents of Belarus and Ukraine together with Russian President Yeltsin, was a tool of the latter's game against Soviet President Gorbachov. Belorussians have a good memory and will believe an ordinary person who behaves fairly, preferring his views to career interests, over any "nomenklaturchik" who changes his views like gloves. In 1994, the people made their own choice, ignoring the propaganda of liberal and socialist papers that both supported Kebich. In Lukashenko, they recognized a person who lives by the people's interests, not with clan instincts. This choice well characterizes the Belorussian people.

The secret of the identity

When Yeltsin, Kravchuk, and Shushkevich were choosing a place for carrying out their conspiracy against the Gorbachov elite, the Belaya Vezha national park in Belarus appeared to be a most convenient site. Belarus was considered to be a very quiet country. True, it had been quite for ages—even in 1898, when Minsk was the site of the First Congress of the Revolutionary Social Democrats.

In 1917, Belorussians were more passive in the revolutionary movement than any other people of the Russian Empire. Among Russians, there were 11 times more revolutionaries than among Belorussians; among Jews, 55 times more; and among Latvians, this ratio reached 88. At the same time, during World War II, Belorussia had the strongest partisan (guerrilla resistance) movement, and only here the Nazi Gauleiter were murdered.

This people has been always grateful to those who protected them and lived with their interest, and did not tolerate those who were using them for geopolitical ends and other selfish interests. People who speak much and do nothing are not popular here, and this was maybe the main reason of the failure of the BPF. One of the main streets in Minsk is still called after Pyotr Masherov, one-time leader of the Belorus-

sian Communist Party, who was generally (in Moscow too) considered to be the only fair person in Brezhnev's Politburo. If you look at the buildings of factories and living quarters built under his rule, at the neat and comfortable (though not so magnificent as in Moscow) stations of Minsk Metro, you'll understand the words of the Minsk citizens, "This man has done a lot for us." And Belorussians wouldn't be Belorussians if they renamed Masherov Prospect into Lastovsky Prospect, for instance.

In 1960s, it was rather difficult for a fair person to make a party career. Apparently, in Belorussia it was different.

In the period of the liberal reforms, the leadership of the majority of post-Communist states was taken either by the "reformist" nomenklatura, or by dissidents like Poland's Walesa, Armenia's Ter-Petrosian, or Georgia's Gamsakhurdia. The results were more or less similar, for the dissident's dream was usually just to regain power. Again, Belarus became an exception.

The defeated liberal nationalists now accuse their own people of being too tolerant. Belorussians are indeed tolerant, but the examples of the wartime resistance and the 1994 presidential elections show that they can perhaps use their common will better than any other eastern European people.

Interview: Alexander Yegorov

We must turn around production collapse

Alexander Yegorov is an economist, publicist, and commentator with the Teleradiocompany of Belarus. He ran, unsuccessfully, as a candidate for the Parliament of Belarus in the last elections. He is close to the opposition Agrarian Party, the second largest faction in the Belorussian Parliament, but he stressed that in this interview he is expressing his personal views. The interview was conducted for EIR and Neue Solidarität by Gabriele Liebig and Michael Vitt in Minsk on Aug. 8.

EIR: As an economist and TV commentator, you observe closely the current political and economic developments in Belarus and the former Soviet Union at large. Could you give us some information about the current economic situation, particularly in Belarus?

Yegorov: First of all, the decrease in industrial and agricultural production has not been stopped, as the government officials try to suggest. I have the most important statistical data for the first half year of 1995. The GNP [Gross National

Product in comparison to the same period in 1994 is 88%, industrial production 92%, the production of consumer goods 76%, agricultural production 91%, capital investments 80%, construction of new houses 50%.

But an adviser to our prime minister said on TV that, despite the constant decrease, we have positive tendencies. Referring to the same statistics that I have, he referred to an increase in GNP of 10% in June compared to May, a 76% growth in agriculture, while housing construction even multiplied 10 times between May and June. That seems to be real progress. But last year there had also been an increase in June compared to May, industrial production doubled, consumer goods were up 55% compared to the previous month. I wrote in the newspaper Belorussia, that "apparently every June we make a great leap." But this year this great leap is somehow much lower than last year. That means, actually we do not have any progress, but production continues to decline.

Take the figures about construction of new flats: In June 1994, the total volume of new flats was 606,000 square meters. In June this year, only 218,000 square meters were built, three times less than in June 1994. And if in June ten times more houses were built than in May, this only means that in May we built almost nothing. I can't see any positive development here.

EIR: How do you explain this production collapse?

Yegorov: The problem is twofold. The first aspect is the disintegration of the Soviet Union. None of the republics of the former Soviet Union, with the exception of the Baltic states, sees any economic progess. Therefore, the government of Belarus can't really be blamed for that, because the situation in the other republics is no better.

The former Soviet Union had an economic system that was not very effective but still somehow organized. With the disintegration of the Soviet State into several States, also the economy disintegrated, the economic organism broke down. A simple example is the Minsk Tractor Plant. This plant had about 100 economic partners all over Russia. Many parts were brought here from other locations. When Belarus became independent, the tractor plant was declared State property. The Russian government likewise considers the plants located in Russia as Russian property. The result is that the entire economy has been ruined.

Something like that was already proposed in the Gorbachov era, when Academician [Stanislav] Shatalin proposed his "500 Days Program." It included the idea, that for a just economic development, it is necessary that the collective of each plant must own its production. I wrote at the time, ironically, that an enterprise which produces tanks thus only possesses tanks, and an enterprise which produces condoms just owns condoms. So, in order to get an exchange, you must calculate how many condoms you have to produce to get a tank. In 1989, when the economies of the States were divided, we faced the realization of this crazy idea in practice. It is well-known, that many companies now can't pay out salaries, and often have to pay in goods. Even before the famous agreement in December 1991, that ended the Soviet Union, I wrote that you can divide States politically, but you should not divide the economy.

However, people who are talking about the restoration of the Soviet Union, as if you could reintroduce the economic relations as they were before, are not serious. They don't take into consideration the eastern European economies, the economic relations in the Comecon, that certainly can't be restored.

EIR: Did the International Monetary Fund (IMF) and those many economic experts entering the country since 1991 help in the process of economic development of Belarus?

Yegorov: This question should rather be addressed to the Council of Ministers. The IMF demanded that we fulfill its conditionalities for receiving its credits up to Aug. 15, 1995. The most important condition was to liberalize the costs of living, such as rents and common services. This is an example, how the IMF, in my opinion, not only influences the economy, but also creates social pressures. The political consequences of that will be seen only later.

EIR: What were the direct effects of liberalizing the costs of living as demanded by the IMF?

Yegorov: Take, for example, the changes in the rent for my own flat. I must mention, that my family is in a somewhat privileged position, as I pay only 50% of the official rent, because in 1986 I was mobilized as an officer to take part in cleaning up the Chernobyl disaster. After that I lost all my teeth. My seven-year-old grandson, who was born two years after the catastrophe, in 1988, will be hospitalized tomorrow in order to undergo a thyroid operation, and it may be an oncological problem. So, you see how my privileges are paid for.

In January this year, we had to pay 38,750 Belorussian rubles for our flat, and the official rent is twice that amount. In July, I already had to pay 60,000, the official sum being 120,000. This is already very expensive. According to the Council of Ministers, the rent for a flat like this will be 305,150 rubles per month by September this year. What will that mean for the life of our citizens?

EIR: What is the average income in Belarus?

Yegorov: The average salary in May was 702,000 rubles, but it is slowly rising, and by August it will be about 900,000. But average salary is different from income. The real income can be less or more than the salary. It is more, if people have some income in addition to the salary. And it is less, for example, in the agricultural sector, where the income is only 400,000 rubles. Most members of collective farms didn't receive their salary for two months.

Imagine, that 40,000 people in Belarus this year got a salary lower than the official minimum salary of 60,000 Belorussian rubles.

EIR: Some people have very high incomes. What about the problem of capital flight?

Yegorov: In the state sector the salaries are low, but government officials have very high incomes. Of course, many businessmen have large incomes. Some buy and sell currency and often gain \$7,000 per month. Some even receive interest of \$7,000 per month. These are the people who are building those new houses you see in the town or in the suburbs. The price for building a house is \$100,000 and more. But in Germany such a house would cost much more. So there is a layer of such rich people, and their psychology and their attitude to the West is very interesting. They say, we live better here, because in the U.S. we would have to work to gain so much money. Of course, there are also some who work hard for their money.

As for capital flight: Like any nation, Belarus is interested in exporting goods and also capital, but the question is how? Now, money goes out of the country, but without any perspective and without yielding anything for the country, I know many businessmen who export capital abroad and say, that if the State could guarantee a stable situation, if they could be sure not to be killed tomorrow or mistreated in some other way, they would gladly use the money for investment within the country.

There is a similar problem concerning emigration. Recently President Alexander Lukashenko spoke at a conference in the Ministry of Foreign Affairs. He said that several million Belorussian nationals are living abroad. He put the task before the Council of Ministers to attract those people and their resources toward the development of the Belorussian economy. But the emigrés won't come back, they demand, first, real democratic changes and the transition to a market economy.

EIR: You ran for Parliament. What are your proposals to solve the economic crisis?

Yegorov: First of all, the system of taxes has to be changed. There is a lot of money in the State, in the population, of course not distributed evenly, but this money has to be used productively. With the present tax rate of 95% of income, no honest enterprise has a chance. And people are driven into criminality by hiding their income.

Another measure I proposed to the administration was to cancel the limit on profitability, i.e., the ratio between income and cost, which has now a legal upper limit. When the State was imposing the limit, it was motivated by the objective to stop price inflation—apparently without success, because we had massive inflation. When I proposed to eliminate the limit, I didn't mean to raise the ratio by increasing prices, but by reducing costs, by measures of

rationalization. This limit on profitability should be lifted in order to make owners of capital interested in the investment of money in productive enterprises instead of fictitious investments: speculation.

EIR: What about the role of technological innovations in reducing costs?

Yegorov: The applied results of science should increase the productivity of labor. If the productivity of labor is increased, the costs of production will be decreased. As a result, the income-cost ratio of profitability will grow. Under the present law of the state, all additional income will not go into reinvestment, but into the State budget. So, why should a businessman invest in scientific innovations? That's why I hope to change the limit of profitability ratio, so that it will make sense for a businessman to reduce the additional costs, including by technological innovations. I also think it is very important for Belarus to find its new niche, its specialization in world industry, and restructure its exports. It is the task of the State. In agriculture, it is high time to end the old system of "leveler-ism." I know a farm where fields are always green, despite drought. Its leadership is using progressive technologies. And its neighbors don't hurry with innovations because they still have a guarantee that the State will support them, in any case. The situation has to be changed.

EIR: Lyndon LaRouche has proposed to go back to physical economy, and he proposed a Eurasian infrastructure program: railroads, energy—the real development of infastructure. Belarus is in the middle of it: Minsk is situated at the crossroads between the Baltic Sea and the Black Sea, and on the main rail line from Paris to Vladivostok. If LaRouche's program were implemented, what role would Belarus have? Yegorov: We would be rather narrow-minded, if we were not to use this advantage given to Belarus due to its geographical position. We have great potentials. The road though Belarus is a trade link between Russia and the East on one side, and eastern and western Europe on the other. The road from Paris to Vladivostok is not only the shortest way, Belarus is also the crossing between the Baltic States and Ukraine and Moldova. But in order to do this, we must make Belarus attractive for investments.

But the Belorussian market is still a high-risk market, because of the inconsistent way in which the leadership is conducting the economic reform. Today we allow something, tomorrow we forbid the same thing. Thus, the State closed a joint venture, where investments already reaching \$2 million had been made, without any explanation. Belarus has prospects, but they must be based on the real practice of today. I feel pity to see the present limitations, and I fear we will understand our mistakes only after the collapse of our economy. Our statistics just show, that we didn't reach the bottom yet.

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Clinton's would-be rivals: a squalid scene

by Webster G. Tarpley and Carl Osgood

For months, Anglophile pundit circles in Washington have been chanting their mantra that President Clinton has virtually no hope of getting re-elected, and that he could be safely relegated to the status of an irrelevant lame duck in the meantime. But subsequent events provide a reminder that Presidential elections involve choices, not absolutes, and that the visible choices depict Clinton in a far more favorable light.

Because of the front-loaded structure of the 1996 primary elections, the quadrennial campaign is now in full swing, and with it, the *danse macabre* of the numerous contenders. Among these rivals, only Senate Majority Leader Bob Dole's agitation to lift the illegal U.N. arms embargo on Bosnia, represents an actual credential for leadership. Otherwise, the level of GOP and potentially "independent" hopefuls ranges from appalling incompetence to downright fascism.

The new season began in mid-August, when the mercurial billionaire Ross Perot sponsored a gathering in Dallas that looked much like an early rehearsal for next summer's GOP national convention in San Diego. Perot's operatives had touted an attendance of 8,000 activists of United We Stand America, each paying \$130 each to hear a forum on issues; but these figures proved hyperinflated, and the crass appeal for votes and money, not illumination on issues, proved the order of the day. The whole Republican field-Dole (R-Kan.), Phil Gramm (R-Tex.), Patrick Buchanan, Lamar Alexander, Pete Wilson, Allen Keyes, Richard Lugar (R-Ind.), Arlen Specter (R-Pa.), Robert Dornan (R-Calif.), and Morry Taylor (a man of the people from Grosse Pointe, Michigan)—was there to worship at the altar of the diminutive deficit demagogue, leading some observers to bill the event as a "panderama." Christopher Dodd (D-Conn.), Marcy Kaptur (D-Oh.), and Jesse Jackson were among a sprinkling of Democrats present.

Perot, whose early campaign speeches in 1992 sounded

like a parody of the younger Benito Mussolini, has now dwindled to the status of a mere appanage of the Republicans. Since a renewed Perot candidacy would help Clinton by splitting the GOP vote, it is clear he will not directly enter the fray. Instead, Perot is touting a second "Contract with America," just at the time when disgusted voters are finally beginning to see through the flim-flam of the first one. His speeches and latest book support the GOP effort to double the Medicare premium this year. Perot, as they say, is out of touch, and his anemic Dallas turnout reveals him as a creature of Larry King and C-SPAN whose ability to fool some of the people some of the time has expired.

Iowa's carpetbag straw poll

The Iowa Republican straw poll held the following weekend showed the venality of Republican politics at their worst. Ringmaster Dan Quayle presided over a rigged, carpetbag competition in which the franchise was on sale for \$25 a head to any and all comers. Dole organized caravans of buses from Kansas, and Alexander brought in two chartered 727s full of handraisers from Tennessee.

Gramm was the worst: He colluded with IBP, a sleazy union-busting, wage-gouging meat packing operation linked to the Mob, to ship in dragooned workers from eight plants. (IBP was attacked during the proceedings by Buchanan for its hiring of immigrants.) Gramm's wife Wendy—the lady who opened the gates to the contagion of derivatives speculation when she headed the Commodity Futures Trading Commission—is a member of the IBP board. The unholy rollers of the Christian Coalition were also out in force, mainly for Gramm. As for Gramm's speech, it would have more fitting for the commandant of the Andersonville Confederate concentration camp, than for a candidate for modern public office. Perhaps to divert attention from his own nasty personali-







Contenders and potential contenders in the 1996 Presidential election campaign (left to right): Gen. Colin Powell, opponent of military measures to stop Serbian genocide; H. Ross Perot, reduced to a mere appanage of the GOP; California Gov. Pete Wilson, another worshipper at the shrine of deficit reduction.

ty, Gramm brought along movie actor Charlton Heston and football coach Mike Ditka as foils.

The final vote was chaotic, with a long pause between the end of the count and the official announcement of the tally. Had there been a bidding war behind the scenes? It was finally announced that Gramm had exceeded expectations by finishing in a dead heat with Dole, with Buchanan third.

Buchanan has been a free trade fanatic in Republican White Houses for most of his public life, but his Iowa tirade was full of his standard attacks on the North American Free Trade Agreement (NAFTA), the General Agreement on Tariffs and Trade (GATT), and the Mexico bailout, with a few jabs at Wall Street and Goldman Sachs thrown in. But he mainly sought to demonize recent immigrants, and repeated his monstrous plan of building a new "Berlin Wall" along the Mexican border.

The pro-Confederate Buchanan is a 1990s version of the xenophobic Knownothings of the 1850s. Buchanan's scurrilous, racist performance recalled recent allegations from Jack Anderson (published Aug. 10) that Buchanan had started off as a creature of the perverted J. Edgar Hoover "in the early 1960s, when the FBI director often fed Buchanan, then an editorial writer with the *St. Louis Globe-Democrat*, 'smear' stories about the Rev. Martin Luther King." Buchanan denies this, but he is still true to his 1992 GOP convention form, when he heralded a "new war of religion" for our country.

The background for these events is furnished by the sinking fortunes of the GOP, which involve above all Newt Gingrich and his House right-wing extremist cadres. Newt's personal negatives in the polls, as one commentator noted, are now about as high as those of many serial killers, and the new Robespierre is as far as ever from taking a vow of silence. Newt's British spokesman Tony Blankley left no doubt that the Speaker's office still adheres to the George III school of political acumen, with his mid-summer praise of England's fanatical 17th-century dictator Oliver Cromwell, who slaughtered more than 25% of the entire population of Ireland in a campaign of atrocities. For Blankley, Cromwell was "a visionary." The fully justified outrage of the Irish community forced Blankley to retract. But Newt's cult of the grotesque-baroque will not play well with voters next time.

Remember Dewey

Newt's squadristi in the 104th Congress are not likely to get much of their Contract with America passed, and their defining moment is likely to remain their vote to rob poor little children of their school lunches in the name of protecting the hopes of the next generation. In 1948, Republican candidate Thomas E. Dewey, because of his arrogance, complacency, and long-winded speeches, gave many voters the impression long before November that he had in fact already taken power. By election day, voters were tired of this Dewey "Presidency," and decided to give the underdog a chance, and chose Truman. Today a similar psychology is working. The GOP proclaims that power now resides not in the White House, but on Capitol Hill. In the likely event that the bottom falls out of the financial derivatives bubble during the campaign, then Newt, and not Clinton, may be left holding the

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bag for so much unsoundness.

Another blip on the screen was the mid-August announcement by Sen. Bill Bradley (D-N.J.) that "politics is broken," and that he would not seek re-election. Bradley's hints that he would consider a third-party bid for national office led some Connecticut Avenue delphics to prognosticate the imminent doom of the Democratic Party. It is true that the retirements from the Senate of James Exon (D-Neb.), Howell Heflin (D-Ala.), Harry Johnston (D-Fla.), David Pryor (D-Ark.), Paul Simon (D-Ill.), and Bradley (plus Clairborne Pell (D-R.I.) and perhaps Sam Nunn (D-Ga.) will make a new majority in the upper house harder to get. On the other hand, who can regret the departure of the likes of Simon? Bradley's pontificating reflects nothing so much as his conclusion that he personally cannot get re-elected in New Jersey in 1996. Bradley was one of the architects of the disastrous 1986 tax reform, which removed the last vestiges of pro-production dirigism from the Internal Revenue Service code. In 1990, Bradley was perceived as more interested in International Monetary Fund shock therapy for Russia, than in the plight of Trenton and Newark, New Jersey: He refused to comment on the Democratic governor's tax increases. That year, Bradley narrowly escaped defeat at the hands of blueblood horsewoman Christine Todd Whitman, then unknown and now the governor.

Colin Powell: appeaser of Serbia

Apart from official Republicans and Democrats, press hype has focused on a potential campaign by Gen. Colin Powell, the former military chief of the Pentagon and National Security Council official under Reagan and Bush. Powell received a knighthood from Britain's Queen Elizabeth as a result of his part in Bush's Operation Desert Storm against Iraq. He also has that essential prerequisite for high office, a \$6 million book contract, more lucrative than Newt's. This month, Powell will start his book tour, and will receive much publicity.

Powell will also have to answer questions about the genocide against Iraq in Desert Storm and since. Did Powell help to block a U.S. naval demonstration in the Persian Gulf in the days before Saddam Hussein had crossed the Kuwait border—a move that might have deterred the invasion and avoided the war, thus wrecking London's scheme for a "splendid little war"? There is also the question of the 1989 Panama invasion and deaths of thousands of innocent Panamanian civilians in the El Chorillo neighborhood, as a result of an invasion plan Powell had approved.

Then there is the timely matter of Powell's 1992 and 1993 rejection of military measures to stop Serbian aggression and genocide. Here Powell bought into many false clichés, and abdicated professional military judgment in favor of what Bush, his Secretary of State Lawrence Eagleburger, and British Lords Carrington and Owen wanted to hear. Powell will have to answer the charge that he was an influential appeaser of Serbia. In *Foreign Affairs* of Winter 1992, Powell wrote

of the post-Cold War world: "In the Balkans such hatreds and centuries-old antagonisms have burst forth into a heart-wrenching civil war." It is, of course, not a civil war, but international aggression; and the antagonisms would never have led to war without British connivance.

The verbiage of appeasement went further when Powell told the Senate Appropriations Committee on April 21, 1993: ". . . it is a very complex political and diplomatic and policy problem more so than it is a military problem. The military is the one that is generally pointed to: Why do you guys never want to do anything? Why do you not want to bomb? We saw this terrible thing on CNN; let us bomb somebody. That is not enough." This amounts to mocking the world outcry against Serbian genocide and atrocities.

Later in the same testimony, Powell frightened the senators with vastly overestimated requirements for stopping Serbia: "To secure Bosnia and drive the Serbs back is quite a mission . . . I would say that would be a very, very large air and ground and sea operation. . . . I think most military people would tell you that you are talking about several hundred thousand people." Powell consistently ignored Bosnian capabilities for self-defense.

Powell preached confusion and defeatism at the very time when Clinton was ready to act: "This is a conflict that is perhaps the most complex one I have ever seen, as you try to pull apart the pieces. You have 1,000 years of hatred. . . . It has always been unstable. How can you define a situation where people who were neighbors with each other just two years ago are quite content now to say hello to their neighbor in the morning and at noon go get a gun and start killing their neighbor?... So how do you use military means to solve this very, very difficult and tense religious, cultural, human problem?" He went on to conjure up the Vietnam complex, which the Bush administration had ridiculed during the Gulf war: "Are we going to bomb people into an agreement that they otherwise would not wish to be a part of? We did that in December 1972 and three years later they won anyway. Some of you remember it as Vietnam."

At length, Sen. Don Nickles (R-Okla.) said he wanted to stop the killing of Bosnian civilians by Serb heavy weapons, and asked: "Do we have the capability to target those [Serb] artillery complexes right now?" Powell saw such an action as futile or worse: "They are locked into a conflict, and if the killing does not take place by artillery, it will probably take place by some other means, just as the no-fly zone has not stopped the violence. The violence is as bad as ever. In fact, it is worse since the no-fly zone."

Many parts of Powell's testimony were suppressed and deleted at the time, presumably on alleged security grounds. Congressional sources told this writer in the spring of 1993, that in executive sessions on the Hill, Powell had been an adamant foe of any U.S. involvement on the side of Bosnia. Certainly, intelligent voters will want to see those deleted passages before they ever consider voting for Colin Powell.

The hypocrisy of Newt's 'death to pushers' rap

by Joyce Fredman

On Friday, Aug. 24, Speaker of the House Newt Gingrich dropped what he must have hoped to be a political bomb-shell—automatic death sentences for convicted drug smugglers. "If you import a commercial quantity of illegal drugs, it is because you have made the personal decision that you are prepared to get rich by destroying our children. I have made the decision that I love our children enough that we will kill you if you do this.

"The first time we execute 27 or 30 or 35 people at one time, and they go around Colombia and France and Thailand and Mexico, and they say, 'Hi, would you like to carry some drugs into the U.S.?' the price of carrying drugs will have gone up dramatically," Gingrich boasted to a crowd at a fundraiser for Rep. Charlie Norwood, a fellow Georgia Republican.

What a hero, defending our children, standing up to the criminals, what a brave guy; what a liar! Playing on the fears of Americans concerning the drug epidemic, Gingrich has blustered at every available opportunity, sounding forth the battle-cry, while in Congress he has led the defeatist camp. Slashing programs shown to aid in the anti-drug effort seems to be his main occupation. But talk is something else.

'Or let's legalize'

Last July in Philadelphia, at the summer meeting of the Republican National Committee, he said the country should get serious and either "kill" importers or else legalize drugs. "Either let's have a decisive program that has the kind of penalties I am talking about, or let's legalize them. Let's quit playing games where the sanctions are so limited that people get to be millionaires by destroying our children," he told the St. Petersburg Times, a Florida newspaper.

Gingrich says he will introduce his bill when Congress reconvenes after its summer recess. According to such a bill, anyone convicted of smuggling large amounts of drugs into the United States would have only 18 months to file no more than one appeal of the conviction. He boasted about his plans to curtail due process to a crowd at asports festival in Georgia on Saturday, Aug. 26. "They wouldn't have 10 years of playing games with the system. Do it one by one, it'll add up. If the word gets back that we're serious and we're actually implementing it, then it will have a very chilling effect on people bringing drugs into the U.S.," he said.

Chilling is certainly the word, but the effect is not re-

served for those importing drugs. For those who claim to be so concerned about international human rights issues, including Gingrich himself, such legislation would put the United States in the company of China, Vietnam, the Philippines, Singapore, Malaysia, Burma, Saudi Arabia, Thailand, Bangladesh, and Iran, the only other countries to institute such measures.

In fact, while in San Diego, speaking to the American Legislative Exchange Council, Gingrich put his seal of approval on laws such as those in Singapore and Malaysia, where not only are convicted drug smugglers executed, but very long prison terms are dealt to those who are found with drugs in their possession, and he also called upon state legislators to pass laws for the death penalty for domestic producers of drugs.

The real truth behind his blood-curdling boasts, however, is that Newt Gingrich has led every effort to sabotage any effective programs presently in place in the United States to fight drugs. He and his cohorts in the Conservative Revolution crowd have limited funding wherever possible, even in the domain of law enforcement. The only effect he has had is to sabotage any efforts of the Clinton administration's fight against drugs.

Now, an underdeveloped nation which is faced with an undeclared war by well-armed (and foreign-funded) narcoterrorist armies *might* perhaps argue that it is forced to execute those armies' leaders as their only recourse to defend society under war conditions. But in a wealthy society, with the penal technologies available to the United States, the death penalty serves no purpose but that of feeding the bloodthirst of a frustrated populace—indeed, of further chipping away at the fundamental tenet of western civilized society, that man is made in the image of God, the very decline of which has provided fertile grounds for the growth of the drug subculture.

'He has not thought it through'

The speaker's cynical attempts to capitalize on the very real concern of Americans is typical of his populist methods. Those who are involved in seriously fighting drugs see things much differently.

Dr. Lee Brown, White House drug policy adviser, who recently concluded a tour of Latin America where he held meetings with the Presidents of Peru, Bolivia, and Venezuela, responded immediately to Gingrich.

He called the plan to execute the drug smugglers "another simplistic solution to a complex problem with no potential for real impact. This proposal, offered on the heels of the idea he gave forth last month to legalize drugs or use draconian measures, shows that the Speaker will say and do anything except implement and fund the President's comprehensive anti-drug strategy. I cannot imagine that he has thought through these ideas: for example, the recent uptick in marijuana use by young people, given that a large proportion of

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the marijuana is domestically grown, has little to do with smuggling."

As for Gingrich's great love for the nation's children, Brown called on the Speaker to put his money where his mouth is. "Parents want to do more to assure that kids don't use drugs, and drug education in our schools is a key. It's time that the Speaker understands that stopping the demand will be the most effective anti-drug activity we can possibly take. That's why the Speaker should work with us, instead of against us, to assure full funding of the Safe and Drug Free Schools program which reaches 39 million children in 94% of the nation's school districts. The Speaker should work with us to assure full funding of the President's treatment initiative, so that we can break the cycle of crime and drugs which puts drug criminals on the streets. The Speaker should work for American families by restoring the cuts made to the Health and Human Services treatment and prevention programs.

"The President's comprehensive strategy also strongly supports interdiction and eradication in source countries, and effective measures to stop drugs from crossing over the borders.

"The 1995 National Drug Strategy attacks drugs on all fronts—supply and demand, education and punishment, treatment, rehabilitation, interdiction, eradication, international cooperation. The strategy has begun to work: the Cali drug cartel responsible for 80% of the cocaine that reaches our shores has begun to crumble, and casual (once a month or more) drug use remains at less than half the level of the mid-1980s.

"What the Nation needs from the Speaker is help in implementing and funding the President's comprehensive antidrug strategy, not ill-conceived ideas and congressional defunding of a plan proven to work. It's time to put children and families ahead of political grandstanding."

And what about the bankers?

In 1985, Lyndon H. LaRouche, Jr. spelled out a 15-point Hemisphere War on Drugs strategy that called for a total war against the international narcotics cartel known as "Dope, Inc." The LaRouche plan—as distinct from the Gingrich appeal to lynch-mob rage and even from the Clinton administration's far more productive and successful effort—called for the marshalling of all the available resources of the United States and its allies throughout the Americas to knock out the drug cartel at the point of production, on the high seas, on the streets, and where they can be hurt the most, in the board rooms of the major international banks and within the circles of the British monarchy, where the top executives of Dope, Inc. are to be found.

How telling it is that on the subject of these higher levels "above suspicion," where the big money and big power are made from the trafficking in mind-destroying drugs, our loquacious Speaker Gingrich is . . . silent.

FBI, DOJ misconduct shown in Weaver case

by Edward Spannaus

With hearings on the 1992 shooting incident at Ruby Ridge, Idaho set to begin in the Senate on Sept. 6, a major focus of attention is expected to be the Department of Justice's (DOJ) 542-page report on the incident, which documents serious FBI and Department of Justice misconduct in the aftermath of the shooting. EIR's analysis of the report has discovered a pattern of misconduct among DOJ personnel—up to the level of Deputy Attorney General Mark Richard—which has so far been ignored by the media.

But at the same time, the Senate Judiciary Committee hearings are causing justifiable concern among top officials at the Justice Department over the possibility that the hearings could interfere with the ongoing *criminal* investigations of FBI officials involved in the Ruby Ridge incident. Speaking to the press on Aug. 31, Deputy Attorney General Jamie Gorelick warned that the "worst-case scenario" could be what she called "the [Oliver] North scenario, which is that a conviction is overturned, or that a prosecution simply cannot go forward." She was referring to the manner in which North and other Iran-Contra conspirators were able to get their convictions overturned and walk away free, because Congress had required them to give testimony in public hearings under a grant of immunity from prosecution.

The ghost of J. Edgar Hoover

The DOJ report on the Ruby Ridge incident shows that corrupt practices, including hiding and destroying documents, which the FBI and DOJ said had ended decades ago, were still going on as late as 1992 and 1993.

The report was prepared last year by a task force appointed by Attorney General Janet Reno, but has not yet been officially made public. Justice Department spokesman Carl Stern told *EIR* that the department was ready to make the report public last December, but they were requested not to release it by the local prosecutor in Boundary County, Idaho, who is conducting his own investigation of possible criminal conduct by FBI agents and officials. The report was leaked to the *Legal Times* newspaper in mid-July, which put it on the Internet.

Most of the news media reporting about the DOJ report has focused on the dramatic issue of the FBI's altered "rules of engagement," under which an FBI sniper shot and killed Randy Weaver's wife as she was standing behind a door holding the Weavers' infant daughter.

What the news media have ignored, is that the DOJ report also shows a pattern of corruption by FBI and DOJ officials that harks back to the days of J. Edgar Hoover and his notorious "Do Not File" files. Naturally, the FBI has learned a thing or two since the "Cointelpro" days of the 1960s, but in the waning days of the Bush administration, both FBI and DOJ officials still demonstrated their proclivity for hiding documents so that they could not be located either under the Freedom of Information Act (FOIA), or provided to defendants in criminal trials under the legal procedure known as pre-trial "discovery" of evidence.

How to hide documents

As the government's prosecution of Randy Weaver neared trial in late 1992, federal prosecutors entered into standard "discovery" agreements with Weaver and his codefendant, Kevin Harris. (In a criminal case, the government is obligated to provide to a defendant any exculpatory evidence, i.e., evidence which would tend to show the innocence of the defendant, or which involves witness statements, etc.)

The DOJ report on Ruby Ridge recounts a discussion in which a federal prosecutor in the Weaver case warns an FBI supervisor of the problems which would occur if a document were not produced in discovery, but then later was found by the defense through an FOIA search. According to the report, the FBI supervisor, T. Michael Dillon, responded "that the document had come from someone's desk and was not in any official file that would be searched for a[n] FOIA request."

(The prosecutor may well have had in mind the trial of Lyndon LaRouche and others in Boston, Massachusetts in 1987-88. That trial ended in chaos and a mistrial, in part because the defendants were able to obtain government documents under the FOIA, which the government had withheld from discovery. The prosecutors and the FBI then had to explain why they hadn't produced those documents which the defendants were able to get themselves using the FOIA.)

The DOJ report also describes other methods of hiding documents used by both federal prosecutors and the FBI. For example, one of the prosecutors used U.S. Marshals Service agents, instead of FBI agents, to conduct witness interviews, because FBI agents are required to prepare written reports of their interviews, which are known as "302s." The DOJ report says that "the evidence demonstrates without question that they did not want to create a paper trail of their activities for the defense to discover."

But even when FBI agents wrote up 302 interview reports, the prosecutors still had a way of hiding them from the defense. A prosecutor told FBI agents he wanted "clean 302s." One of the FBI agents later told investigators that a "clean 302" was one in which the FBI case file number was not present; the file number was left off the report so that "it would impair the ability of the defense to obtain all of the

information in that file under a Freedom of Information Act request."

Mark Richard's role

The DOJ report describes a heated dispute that arose between the prosecutors and the FBI over discovery in the Weaver case. Since prosecutors had entered into a normal discovery agreement with the attorneys for Randy Weaver and Kevin Harris, they were very worried that if they were caught failing to comply with their discovery obligations, any conviction could later be overturned.

The FBI, on the other hand, was determined to shield certain documents from the defense lawyers. The FBI was especially worried about 1) the "shooting incident report" prepared by the FBI's Inspection Division after the Ruby Ridge shootings; 2) the FBI's operations plan prepared for its Hostage Rescue Team to use at Ruby Ridge; and 3) the "marshal critique," a two-page document containing 12 critical observations of the actions of the U.S. Marshals Service at Ruby Ridge. It was the "marshals critique" that FBI supervisor Dillon said could be hidden from FOIA.

In an effort to resolve the disputes between the prosecutors and the FBI, two meetings were held at Justice Department headquarters in early 1993. The first was held after the U.S. Attorney in Idaho telephoned James Reynolds, the chief of the DOJ's Terrorism and Violent Crimes Section. Reynolds arranged a meeting the next day, chaired by his supervisor, Mark Richard. The FBI representatives at the meeting were Danny Coulson and Mike Kahoe (both of whom are have recently been suspended from duty by FBI Director Louis Freeh). Coulson and Kahoe suggested a "compromise"—that the prosecutors themselves could look at the contested documents, but not take them or give them to the defense! Mark Richard and Reynolds agreed with the FBI "compromise," which meant withholding the documents from Weaver and Harris's attorneys.

Under continued pressure from the local U.S. Attorney, who believed that the prosecutors were obligated to turn the documents over to the defense, a second meeting was held on March 23, 1993, with Richard, Reynolds, and other DOJ attorneys, and with Coulson, Kahoe, and Larry Potts of the FBI. At this meeting, it was agreed that the documents should be produced to the defense, but only if certain sensitive portions were deleted. The documents were finally given to the defense only on the eve of trial.

During the trial, the FBI delayed so much in providing other documents, that the judge held the FBI in contempt of court and fined the Bureau almost \$2,000. More recently, it has been disclosed that Kahoe has admitted that he shredded an FBI document relating to the modified "rules of engagement" which resulted in the killing of Vicki Weaver. His actions, along with those of other FBI agents including Potts and Coulson, are also under investigation by a federal grand jury in Washington, D.C.

National News

Aerospace group defends Department of Commerce

In its August/September newsletter, the Aerospace Industries Association (AIA) carried a front-page defense of the U.S. Commerce Department. The Gingrichites in Congress are pushing for the total elimination of that department, among others.

AIA Vice President Joel Johnson wrote that the Commerce Department "historically has had the expertise needed to represent industry and service sectors [at the cabinet level]. The loss of experienced personnel and data on specific industries and services would reduce the ability of the government to understand the impact of potential policies on those industry and service sectors. . . .

"The Commerce Department's International Trade Administration, its Commercial Service, and particularly its secretary, have played a critical role in the success of a number of recent sales campaigns by our companies. . . .

"We believe that there continues to be a need for a cabinet-level agency primarily devoted to the competitiveness of U.S. industry in the global marketplace."

Puerto Rican terrorists threaten anti-drug radar

Two Puerto Rican mayors threatened in mid-August to carry out acts of "civil disobedience" to stop the installation of a new U.S. Navy anti-drug radar, one in the city of Lajas, and one on the island of Vieques.

The two are the mayor of Ponce, the second largest city on the island, and the mayor of Lajas. Both have told the press that they will lie down in the streets to stop the installation of the anti-drug radar, even if it means that "U.S. Marines go over us and kill us." Opposition to the radar is also coming from the Rev. Santana Melecio, the head of the New Pro-Independence Movement (NMI) of Puerto Rico, which was recently created by former members of the defunct, pro-terrorist Puerto Rican Socialist

Party and which is linked to Fidel Castro's São Paulo Forum.

In July, Julio Muriente, acting director of Claridad, the semi-official weekly newspaper of the NMI, told a public rally that the anti-drug radar should be stopped at any cost, adding, "Puerto Ricans know how to blow up towers," a clear reference to the radar towers. Former Puerto Rican Gov. Carlos Romero Barcelo responded sharply, "Among those who are against the radar in Lajas are pro-Independence followers and drug traffickers, who have personal, economic, and political motives."

The anti-drug radar is the third component of a sophisticated network known as "Relocatable Over-the-Horizon Radar," whose central command post is in Chesapeake, Virginia. The Puerto Rican site will be able to detect and track any plane taking off from anywhere in the Caribbean, and deep into South America.

Billington seeks to bar Virginia AG from case

An attorney representing imprisoned LaRouche associate Michael Billington told a federal judge in Richmond, Virginia that the Virginia Attorney General's office was guilty of gross misconduct in Billington's case and should be disqualified from any further involvement in the matter. Billington was convicted of "securities" violations in a political railroad trial.

At an Aug. 25 hearing, defense attorney Gerald T. Zerkin told Judge Richard Williams that members of the Attorney General's staff, including Senior Assistant Attorney General John Russell, withheld exculpatory evidence, put on false testimony, and prevented Billington from getting a fair trial in the state in 1990, which resulted in Billington's being slapped with a 77-year sentence that has triggered international outrage. Billington is now seeking relief via a federal habeas corpus appeal.

Zerkin told the court that prosecutors believed their misconduct would never be discovered because they had successfully concealed relevant documents. However, Billington's defense team has since been able to obtain documents under the Freedom of Information Act, and by other investigations, which prove that prosecutors lied all along. Additional evidence surfaced during the federal kidnapping investigation of a central prosecution figure, former Loudoun County Sheriff's Lt. Don Moore. The FBI tape recorded more than 60 hours of conversations, in which Moore admitted to engaging in illegal searches and seizures, illegal wiretaps, witness tampering, and other violations in Billington's and other LaRoucherelated prosecutions. Four other associates of LaRouche—Anita and Paul Gallagher, Don Phau, and Laurence Hecht-are also wrongfully imprisoned in the state on "securities" charges.

Zerkin also gave the judge an oral preview of many of the issues presented in Billington's *habeas* petition. Judge Williams took the motion under advisement and ordered the AG to respond by Sept. 20 to Billington's *habeas* petition.

Police say 'Post' endangers D.C. mayor

The District of Columbia's police chief has asked the Washington Post to stop endangering the life of Mayor Marion Barry, with its articles highlighting the security measures at his private residence. In a letter to the Post on Aug. 16, interim Chief of Police Larry D. Soulsby cited "numerous threats" received by the mayor. Soulsby said the Post's latest article "has forced me to increase our security measures, diverting money and police officers from our crimefighting efforts" to protect the mayor's life.

The *Post* has been attacking Mayor Barry's personal security arrangements for several months, most recently in a July 26 front-page article, which, Chief Soulsby said in his letter, "discussed matters pertaining to security, [and] went beyond the bounds of responsible journalism." The article on the mayor's home "gave the building's address and provided a diagram of the home's various rooms." Soulsby concluded, "I ask the *Post* to refrain from any additional articles that bear on the mayor's security, especially those that discuss specific security measures."

Senate briefed on 'loose Russian nukes'

On Aug. 23, the European subcommittee of the Senate Foreign Relations Committee, chaired by Richard Lugar (R-Ind.), was told by Graham Allison, former assistant secretary of defense for plans and policy, that the threat of "loose nukes and loose weapons-grade usable nuclear material [from the states of the former Soviet Union] is the number-one threat to American vital interests today." He added that "the actions of the U.S. government and the Russian government are not remotely proportional to the problem."

Allison also said that the United States "as the most open society in the world, is also the most vulnerable to [terrorist nuclear] attack," although he hastened to add that he thought such attacks were more likely in Russia or the Middle East.

U.S. to arm Bosnia if peace bid fails

The Bosnian press agency TWRA said on Aug. 22 that the Clinton administration will deliver arms to the Bosnian government and organize training for the Bosnian Army if the latest peace plan fails. The agency cites a report in the Aug. 28 issue of U.S. News & World Report.

The weekly wrote that the United States has informed its allies that if the renewed peace efforts do not succeed, the administration will provide arms and training to the Bosnian government. The "talking points" used by National Security Adviser Anthony Lake in his recent diplomatic swing through Europe state that, if a "last, best, all-out effort to get an agreement" fails to win over the Bosnian Serbs, Clinton will try to persuade the U.N. Security Council to lift the arms embargo. "In any event," says the document, "we would provide arms, training and support to help level the playing field.' The United States would also encourage formation of a new international fighting force to assist the Bosnian government.

U.S. News said that Washington would expect NATO to continue to enforce a nofly zone over Bosnia and to protect safe areas for nine months, while the Bosnian Army was being armed and trained with better weapons. "If Serbia intervenes on [the Bosnian Serbs'] behalf, we will bomb Serbian forces and prevent their use of air power inside Bosnia, including hot pursuit . . . if required," the document used by Lake states.

Bosnian President Alija Izetbegovic said on Aug. 13 that the U.S. plan includes threats that Clinton would withdraw his veto of the arms embargo bill, and carry out air strikes against the Serbs.

DuPont committed fraud in tests, court rules

The DuPont Corp. was fined \$101 million by a federal judge in Georgia for withholding test data and misrepresenting results, in a case over their fungicide Benlate DF, the Wall Street Journal reported on Aug. 23.

Over the past decade, thousands of farmers lost all their crops after spraying Benlate DF. The evidence showed that the fungicide was contaminated with an ultra-toxic herbicide. After paying out some \$500 million to settle claims for damaged crops, DuPont stopped payments two years ago, claiming new evidence showed Benlate was not at fault. In fact, the evidence submitted by private labs to DuPont proved the herbicides were present in the soil samples. DuPont withheld this evidence in subsequent trials.

Judge Robert Elliott issued a blistering 79-page opinion that stated that there was a "clear pattern of concealment and misrepresentation. . . . Put in layman's terms, Du-Pont cheated. And it cheated consciously, deliberately and with purpose. DuPont has committed a fraud in this court."

The severity of the fine and the opinion are unprecedented, the *Journal* said. The judge offered to drop the fine if DuPont would place advertisements in national newspapers acknowledging their "wrongdoing." DuPont has accused the judge of bias and says it intends to place an emergency appeal.

Briefly

- HENRY KISSINGER said in an interview with CNN on Aug. 30 that the nation of Bosnia-Hercegovina "should never have been created," and it "makes no sense to force Serbs, Croats, and Muslims, who have demonstrated their hatred of each other, to live in the same political community."
- TEST SCORES for the Scholastic Aptitude Test rose in 1995 after the test was radically redesigned to make it easier. The new test has fewer questions, eliminates difficult antonym questions in the verbal section, and encourages students to use calculators for the math. Officials of the College Board, which administers the test, hailed the rising scores as "early signs of a turnaround in education."
- ONE MILLION Americans lost health insurance during the past year, according to a study by the non-partisan Employee Benefit Research Institute in Washington. The study, which has been picked up by the Clinton administration as a weapon in the upcoming congressional budget battle, projects that, under GOP budget cuts, 9 million more Americans will be tossed off the health insurance rolls by 2002.
- SEN. PHIL GRAMM of Texas tied front-runner presidential candidate Sen. Bob Dole of Kansas with 2,582 votes for 24% of the vote in an Iowa straw poll on Aug. 21 sponsored by the Republican Party. The Gramm campaign and other cashrich campaigns bought up blocks of tickets, and gave them to their recruited supporters, along with free plane or bus tickets.
- THE TULSA WORLD of Aug. 21 reported on Schiller Institute organizers' circulation of the "Open Letter to President Clinton" calling for him to exonerate Lyndon LaRouche, to attendees at the Southern Legislative Conference in Tulsa the week before. So far, 500 state legislators, among other elected officials and prominent figures internationally, have signed the open letter.

Editorial

On current history

The quality of American news reporting is so low, that one joke making the rounds, is that the only reason for the trial of O.J. Simpson is to increase Ted Turner's revenue. The standards for newspaper, radio, and television reporting today, particularly in the United States, are far below what would barely have been considered respectable 20 or 30 years ago. The interesting question to consider is: What should news reporting be about? Is the notion of *current events*, which has replaced history as a schoolroom topic, the proper subject of a news report?

Can one possibly learn the truth about a reported event which is treated as a *current event*? Turner's "Headline" news carries a promotional message that this 24-hour-a-day news service covers *now*, the news as it happens. A little reflection makes obvious that recording the occurrence of an event and understanding its importance in context, are quite different. Simply to know what may have happened (even assuming on-the-spot-news coverage to be attempting to be honest, at least to the extent of what it does and does not report), is literally to know nothing.

Surely there is *current history*, that is, history as it is being made; but how might that be captured in real time? First, one must judge its significance, not as a local occurrence, but in terms of its global importance; not merely as a happening of today, but, on first approximation, as an event in postwar history, which could be defined as beginning in 1943—the point at which the preparations for and the fights over the postwar world were being fought out. These, in turn, must be placed in the context of the history of the post-Civil War period, which then leads to consideration of the history of the United States as a nation, and so on.

Take, for example, President Clinton's repudiation of the so-called special relationship between the United States and the United Kingdom. This calls into question what was in fact the origin of this *special relationship*. We are reminded of the fight which occurred between Franklin Roosevelt and Winston Churchill as to the future of the British Empire, which Roosevelt wished

to see dismantled summarily. Not only were Roosevelt and Churchill in violent, if muted, disagreement on this issue, but Roosevelt further infuriated the British prime minister by his even-handed approach to Joseph Stalin.

Contrasted to this was the transition, on April 12, 1945, from Roosevelt to Harry Truman. It was at this point that the special relationship with Britain (which Henry Kissinger boasted about in his infamous Chatham House speech on May 10, 1982) really began.

In contrast to Roosevelt, who was a polished adversary to Churchill, the easily manipulated Truman became Churchill's pawn, without Truman even realizing it. Beginning with his willingness to use nuclear weapons against Japan, Truman swallowed the bait of Churchill's creation of the "Cold War," hook, line, and sinker. Thus, under the guise of the need for a common front against Stalin, the British were able to shape the postwar period in conformity with the de facto survival of their empire.

How can any serious person believe Ted Turner's claim that being informed of things in the *now*, in other words, current events, is a substitute for understanding current history?

Let us look at another, associated feature of current news—the rise of terrorism. One cannot understand the ongoing increase in international terrorist incidents, including the threats against the lives of President Clinton and French President Jacques Chirac, without understanding the role of the British in the assassination of President Kennedy, President McKinley, and President Lincoln, and in the attempts on the life of Charles de Gaulle. They, like the American and French Presidents today, were opposing the perceived interests of British imperial policy, and this, for the British monarchy, was not to be tolerated.

The postwar period is now coming to an end. If it is not to be followed by the destruction of the United States, and the cultural, political, and economic devastation of post-Renaissance Western civilization, then we had best recognize that we had much better turn off the television news, and learn some history.

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