

# National News

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## Galbraith decries TV's hold over American life

John Kenneth Galbraith, the dean of American economists in the tradition of Franklin D. Roosevelt and John F. Kennedy, denounced the "devastating" corruption of American life by the entertainment industry, during a seminar Oct. 18 in Cambridge, Massachusetts. Galbraith has frequently warned, in recent years, of a coming financial crash, of at least the magnitude of that which occurred in the 1930s.

As summarized in the Oct. 24 *International Herald-Tribune*, Galbraith's address emphasized, "Agriculture and industry are connected to the fundamental reality of human life. Entertainment is escape from reality. Much about the United States today, is explained when you understand that we no longer function, nationally, in response to realities, so much as to the images of reality generated by the American entertainment industry, now arguably the most influential force in American life.

"Because of the takeover of politics by television, political conduct is dominated by the necessity to conform to the demands of what is, primarily, a system of commercial entertainment. This inspires a politico-psychological corruption more profound than mere money-corruption, with far more devastating implications."

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## Wall St. covers for oil speculators' price hoax

While home heating oil prices and oil futures are going through the roof, the *Wall Street Journal* continues to lie that the increases are due to an "oil refining capacity shortage." The financier rag also claimed Oct. 22 that "there is not much that can be done to increase supplies of heating oil."

The reality, as *EIR* documented earlier this year, is that the Anglo-Dutch raw materials cartel, acting through the Six Oil Sisters, has been building up its raw materials holdings, and pushing prices upward to reap windfall profits. The truth is that the so-

called "Six Sisters"—Royal Dutch Shell, British Petroleum, Exxon, Mobil, Texaco (which merged with Gulf Oil), and Chevron—control both the worldwide supply and marketing of oil, as well as refining capacity in the United States. The Six Sisters, as well as several Wall Street brokerage houses, also play the commodities markets, further enabling them to drive prices up.

Between July 29 and Oct 7, the price of home heating oil futures, which are traded on the New York Mercantile Exchange, jumped from \$55 per 100 gallons to \$75, before settling down at \$70.96 per 100 gallons on Oct 24. Meanwhile, speculation in crude oil futures has driven prices up from \$17.75 per barrel on Feb. 1, to \$24.86 on Oct. 23, an increase of 40%.

This deliberate looting of industry and living standards has fueled profiteering on an unprecedented scale. Through the first nine months of this year, Royal Dutch Shell has recorded more than \$6.5 billion in profits; British Petroleum and Exxon more than \$5 billion; and Mobil, \$2.3 billion.

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## Railroad bidding wars prove 'dereg' was wrong

The current war among speculators to take over Conrail, should focus attention once again on the destructive effects of "deregulating" America's railroads and other vital transportation systems. On Oct. 23, the Norfolk Southern RR made a \$9.1 billion cash offer for Conrail, the major Northeast rail carrier, outbidding the \$8.4 billion offer made by the CSX railroad the previous week. The bidding wars represent the intensification of high-roller, speculative railroad mergers, which have nearly dismantled America's rail grid since Congress deregulated the railroad industry in 1980.

By 1995, there were only seven major railroads left in the United States: the Union Pacific, CSX, Burlington Northern, Santa Fe, Southern Pacific, Consolidated Rail (Conrail), and Norfolk Southern. During that year, the Burlington Northern and the Santa Fe merged to become the Burlington Northern Santa Fe—and then there were six. The Big Six accounted for 91% of the revenue and 87% of the track-miles of Class I

rail carriers, which control the lion's share of the rail industry. Earlier this year, the U.S. government approved a \$3.9 billion takeover of the Southern Pacific, by the Harri-man-dominated Union Pacific, creating America's largest railroad—and then there were five.

Conrail is the former freight division of the Penn Central (a merger of the old New York Central and Pennsylvania railroads), which went bankrupt despite a massive bailout by the U.S. government. Additional billions of federal money have been sunk into Conrail. If a takeover by either CSX or Norfolk Southern is approved, America will have only four major rail carriers remaining. During the 19th century, even before the Civil War, the United States had developed, as a national policy, the most extensive and advanced railroad system in the world.

Under deregulation, however, the speculative sharks have moved in for the kill. From 1980 to 1994, the miles of track, owned and operated by Class I rail carriers, collapsed from 164,822 to 109,332—a contraction of 34%. During that same period, the number of railroad workers employed was slashed by 59%, from 458,000 to 190,000; the number of railroad locomotives dropped by 34%, from 28,094 to 18,505; and the number of Class I freight cars in operation was reduced by 45%, from 1,068,114 to 590,930.

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## Sweeney urges business to view labor as an ally

In his keynote to a meeting of Business for Social Responsibility in New York City Oct. 25, AFL-CIO President John Sweeney celebrated his first anniversary as president of the AFL-CIO, by calling on the business group to join him in building a "better America for all of us."

Sweeney told the gathering, "Tonight, I want to talk about what more we must do together to promote a new spirit of responsibility in all of corporate America. And I ask you to see our new, revitalized labor movement as an ally in everything that you do and dream. Because, together, we can build more successful companies for you—and build a

better America for all of us. . . .

"We want to work with you to bake a larger pie which all Americans can share—and not just argue with you about how to divide the existing pie. It is time for business and labor to see each other as natural allies, not natural enemies," Sweeney declared.

The AFL-CIO leader provided no comfort for the worshippers of the free market. "Our economy resembles a lawless jungle more than a civilized marketplace," Sweeney said. "Our trade agreements say very little and do even less about sweatshops, child labor, prison labor, and even slave labor overseas. And our tax code actually encourages companies to ship our jobs to countries where workers have low wages and no rights." He concluded by calling for an America "with more economic patriots and fewer corporate pirates."

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## DNC seeks to dismiss appeal in LaRouche case

On Oct. 24, Lyndon LaRouche and his co-plaintiffs filed a statement of issues in the U.S. Court of Appeals, in their Voting Rights Act suit against Donald Fowler and the Democratic National Committee. Fowler and the DNC filed a motion to dismiss the same day—still maintaining their argument that the Democratic Party is a private club.

The LaRouche suit, filed just prior to the Democratic Convention in August, sought to enjoin DNC Chairman Fowler from excluding delegates then pledged to Presidential candidate Lyndon LaRouche. The case is now on appeal, after District Court Judge Thomas Penfield Jackson bowed down to the "Jim Crow" arguments made by Fowler's lawyers, and dismissed the case.

Fowler et al.'s motion states that "the Voting Rights Act does not apply to the Democratic National Committee or its chair, Donald L. Fowler." Fowler's contention is that, since neither the Democratic National Committee nor its chairman are cited in the federal regulations governing the Voting Rights Act as "covered jurisdictions," they ipso facto have no obligation to follow the law, and that the "federal courts

cannot intervene in . . . [their] internal affairs." Fowler and the DNC made a rule that LaRouche, by their definition, was not a bona fide Democrat, and therefore, any vote cast for him was to be "disregarded."

By this ruse, Fowler et al. refused to certify and seat delegates LaRouche won in Louisiana and Virginia primaries, at the Democratic Convention. But, by this action, they deprived citizens of their right to vote and have that vote be counted. The LaRouche appeal challenges this arrogance. It seeks to have the court rule that national political parties are accountable for their actions under the Voting Rights Act as well as the Fifteenth Amendment to the Constitution, which guarantees to every citizen of the United States the right to vote.

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## MIT prof. would restrict Hispanic citizenship

In a disgusting display of unadulterated racism, MIT Prof. Lawrence Harrison told a U.S. Senate subcommittee on immigration Oct. 21 that, because the work ethic is "weak" in Latin America, the United States should impose more stringent conditions on granting citizenship to Hispanics.

Harrison, a former 20-year official at the State Department's Agency for International Development, declared in his testimony, "Work has traditionally been seen as a necessary evil" in Latin America. He complained that measures by the Clinton administration, to expedite citizenship applications, are widening the doors for people who do not share "U.S. values and attitudes." Harrison is a self-professed protégé of long-time State Department genocidalist Luigi Einaudi—also known as "Kissinger's Kissinger for Latin America."

Harrison's ravings were defended at the Senate hearing by Sen. Alan Simpson (R-Wyo.), who attempted to polish them by saying that Harrison was not suggesting that Latin Americans are "less worthy," but rather that "some aspects of culture are not as conducive to certain values" as others. A spokesman for the Hispanic-American movement La Raza commented, "I have never seen people with so many credentials offer up so much tripe."

## Briefly

**APOLLO 11** astronaut Buzz Aldrin, in a speech Oct. 23, called for a sustained commitment to colonize Mars by the year 2020. "Past societies built cathedrals, and other things that took time," Aldrin said. "We need things that take time." The leader of the nation, he said, must "chart a course of permanence on the planet Mars, and all the things we need to do in that direction," including mankind's development of the Moon.

**GOV. GEORGE ALLEN'S** execution tally in Virginia may double his record annual mark. Under Allen's reign, the total of five executions in 1993 was matched again in 1995. Three have already been executed this year; and seven more are expected to die by mid-December. At least two of the condemned, Joseph Payne and Joseph O'Dell, may be innocent, according to Virginians for Alternatives to the Death Penalty.

**ROSS PEROT'S** Aug. 20 financial disclosure report to the Federal Election Commission, filed as a Presidential candidate who claims to speak for "real Americans," lists assets of \$50 million or more each, in the government bonds of Australia, Belgium, Canada, France, Germany, Spain, Greece, Italy, and Japan, and dollar-to-yen derivative gambles at the same level with Crédit Suisse, J.P. Morgan, Merrill Lynch, and Swiss Bank.

**GOV. WILLIAM WELD'S** administration is considering a plan to privatize Medicaid in Massachusetts, the *Boston Globe* charged in its lead story Oct. 30. The scheme would shift more than 300,000 poor or disabled patients from state-managed health plans, into private HMOs which profit from denying treatment.

**WITCHCRAFT** is "a growing alternative religion," according to a front-page story in the Oct. 30 *Washington Post*. Witches should not be confused "with Satanists," says the *Post*. "The witches' creed—'And harm it none, do what ye will'—is much like the doctors' Hippocratic oath."