

National News

Insurance firms stacked pay raise commission

The commission set up by President Reagan, which recommended a 51% pay raise for Congress, was loaded with representatives of the insurance industry.

According to an article by *Newsday* columnist Patrick Sloyan which appeared in the Feb. 12 *Washington Post*, every public official including Reagan, and the Senate and House Majority and Minority leaders, who named people to the commission, chose insurance industry representatives.

At the time, the insurance industry was involved in a massive lobbying of Congress seeking to kill legislation which would "repeal key sections of the insurance industry's exemption from federal anti-trust law."

Sloyan notes that the commission chairman, Lloyd Cutler, who defends the commission, will continue to sit on commissions that advocate hated policies while taking the heat off elected political officials, because Cutler has just been named by President Bush to head his ethics commission.

Hammer denies hosting reception for KGB boss

In a letter to the editor in the Feb. 12 *Washington Post*, Armand Hammer denies the charge in a Jerrold Schecter *Washington Post* article Feb. 5, on the visit of KGB director Vladimir Kryuchkov to Washington for the summit of December 1987, that he hosted a reception for the KGB boss and U.S. officials.

"Mr. Schecter states that I hosted a farewell party for the Soviet delegation that included Mr. Kryuchkov and that 'it was the first time a KGB spymaster had members of the Senate, House and Executive branch parade before him.' This is not true," Hammer claims, explaining that U.S. officials were invited to a meeting with Anatoly Dobrynin.

"The following day . . . I invited those Soviet officials who were staying at my ho-

tel to drop in. Many did, and among them was Mr. Kryuchkov, whom I had not previously met. This was strictly a hospitality function for the Russian delegation. Mr. Kryuchkov did not attend any meeting I arranged with U.S. officials. If there is any question in the mind of anyone about my 70 years of service to my country, I will say again that I am in sympathy with all who seek peace in the world and a reduction of the nuclear terror that hangs over us."

Mr. Hammer, whom Moscow made a billionaire through special trade concessions, did not state which country he was referring to.

DoJ's gestapo attacks foreclosure opponent

A pattern of attacks continues on leading individuals who oppose imposition of austerity, as Charles Walters, editor of the well-known farm publication *Acres USA*, has been attacked by the Department of Justice's farm gestapo for his editorial opposition to a Farmers Home Administration (FmHA) "debt restructuring" packet.

The FLAG, a spinoff of Daniel Levitas's "Prairiefire" apparatus, which helped write the 1987 Farm Bill authorizing FmHA foreclosures and which functions as an extension of the DoJ, attacked Walters in a national press release as an anti-Semite and said he is responsible for farmers losing their farms if they fail to sign the FmHA's restructuring packet.

The release, also signed by Leonard Zisking of the Atlanta Center for Democratic Renewal, threatened to sue Walters for attacking the restructuring packet.

As *EIR* has reported, the loan restructuring packet is a means of enticing the farmer to voluntarily give up his land to the FmHA without a fight, while the government avoids the political consequences of mass foreclosures against delinquent farmers. While Iowa and Nebraska, and possibly other states, have moratoria in effect against foreclosures, the government has announced that only 16,000 out of the 83,000 farmers who received notices could possibly qualify for some sort of restructuring.

Judge moots venue change in Virginia trial

Loudoun County Circuit Court Judge Carleton Penn surprised observers of the Virginia prosecutions of associates of Lyndon LaRouche on Feb. 11, when he invited a change of venue motion by Michael Billington, the next of 14 defendants scheduled for trial on trumped-up fraud and conspiracy charges.

In the current trial, counsel for the accused, Rochelle Ascher, has argued strenuously to the Court that the poisoned media environment in the county denies her a fair trial and has resulted in the seating of a jury biased against her. Several of the seated jurors admit to a bias against LaRouche, but were seated by Penn after two jury pools were exhausted in the selection process.

In a statement to Billington's attorney Jim Clark, Penn stated that the timing of LaRouche's sentencing on Jan. 27 and widespread media coverage had made the jury selection in the Ascher case lengthy and difficult, and after the additional publicity of the Ascher trial itself, he was not hopeful of obtaining an impartial jury in the county for the following cases.

Penn had rejected change of venue motions for Ascher, but the issue of fairness for her is now raised again because there were hundreds of hate-filled news articles published in the county before her trial began, compared to only a handful since.

DNC to discriminate against LaRouche Dems

Less than 48 hours after he was elected chairman of the Democratic National Committee on Feb. 10, Ron Brown declared a policy of discrimination against the LaRouche wing of the Democratic Party.

Appearing on the NBC-TV news show "Meet the Press" on Feb. 12, Brown was questioned by reporters as to whether he would back a party nominee if there were an

independent black candidate in the race. Brown replied that he would always back the official nominee of the party and all "legitimate" Democrats. But if the nominee were a "KKK member or a supporter of Lyndon LaRouche, then I would not support him."

The National Democratic Policy Committee, a political action committee which represents the LaRouche wing of the party, sent a letter to the DNC on Feb. 13 demanding that Brown retract his remarks. The NDPC noted that the remarks continued the strategy of exclusion of LaRouche "which has cost the Democratic Party about 30-35% of its constituency"; violated the party rule which prohibits officially endorsed candidates in primaries; attacked the civil liberties of a victim of injustice, since the LaRouche case is considered the leading civil liberties case of the period by civil libertarians throughout the country; and are outrageous for comparing LaRouche—who is known throughout the world for his fight for political and economic justice—to the KKK.

NDPC testifies on HHS, Veterans nominations

The National Democratic Policy Committee has submitted testimony for the confirmation hearing of Louis Sullivan, President Bush's nominee for Secretary of the Department of Health and Human Services, and for Edward Derwinski, nominee for the new cabinet level post of Secretary of Veterans Affairs.

The testimony gave an in-depth analysis of how Medicare's Prospective Payment System and the Veterans Administration's reimbursement system, both organized by cost-efficiency experts, are actually a driving force behind the collapse of the U.S. health care system. Both Medicare's Diagnosis Related Groups (DRGs) and the VA's Resource Allocation Methodology (RAM) reimburse hospitals on the basis of a patient's diagnosis, rather than the actual cost of treating the patient. These underpayments are causing hospital bankruptcies, creating detrimental patient care, dangerous

collapses in hospital infrastructures and equipment, and personnel layoffs, to the degree that some VA medical centers have shut down 50% of their beds due to the inability to pay nurses.

Rudolph attacks government witchhunt

German-born NASA rocket scientist Arthur Rudolph, a U.S. citizen who was forced into exile by the U.S. Department of Justice which alleged that he had committed Nazi war crimes, has publicly challenged the witchhunt against him.

In an interview with the *Birmingham News*, as reported by the U.S. Army newspaper *Stars and Stripes* Feb. 14, Rudolph said that it was "dumb, very dumb" for him to have accepted the Justice Department's "offer" of exile, instead of fighting for his U.S. citizenship in court.

"I did not see a chance to win in the situation I was in, so the simple solution was to go . . . and I made up my mind and carried it through, even if it was wrong," Rudolph told the paper. He said that in 1983, he was confronted at his home in California with Justice Department accusations of his alleged "Nazi past," but "I did not have the financial resources to go through a lengthy court trial. And I did not know if after 40 years, I could still find any witnesses to rebut the charges against me."

Rudolph stressed that he "never pleaded guilty, but they talk anyway about alleged things that I did, not proven, and I'm not guilty."

Rudolph regained his West German citizenship last year, after a lengthy West German investigation concluded that he had committed no war crimes in World War II.

A campaign is under way to restore Rudolph's U.S. citizenship, and Rudolph has asked for a visa to visit the NASA Alabama Space and Rocket Center this summer for the Apollo space program reunion. Rudolph was project manager for the Apollo Moon flight's Saturn 5 rocket, first launched on Dec. 12, 1968.

Briefly

● **NEIL BUSH**, President Bush's son, may be named in a lawsuit by the federal government for his role as a director of the Silverado Banking Savings and Loan Association from 1985 until August 1988, according to an article in the Feb. 8 *Houston Post* which was based on stories in the *Denver Post* and the *National Thrift News*. Silverado failed in December 1988 at a cost to the FSLIC of more than \$1 billion.

● **THREE GOVERNORS**, Mario Cuomo of New York, Thomas Kean of New Jersey, and Madeleine Kunin of Vermont, are sponsoring the largest conference on global climate change that has yet occurred in the United States, to be held in New York City Feb. 28 to March 3.

● **MELVIN LAIRD**, the former defense secretary, was asked by *EIR*'s Nick Benton at a Washington press conference Feb. 17 whether the U.S. was pushing Germany too hard. Laird acknowledged, "Priorities have gotten a little out of line. They are raising issues with Europe without getting people in place here."

● **NANCY REAGAN** has signed on William Novak, the author of *High Culture: Marijuana in the Lives of Americans*, to draft her autobiography. In his book, Novak relates his drug-using experiences and says he hopes "users can benefit from this book by learning from each other more successful and satisfying models of marijuana use." A spokeswoman for the former first lady had no comment on Novak's writings.

● **THE BUSH** administration is a "green monster," with environmentalists, with Bush's backing, having taken key administration posts, and unless their stranglehold is soon broken, the U.S. will become an ecological dictatorship, one of the world's leading meteorologists told *EIR*.