

National News

Urban warfare could explode, says U.K. paper

Watts (Los Angeles) and other U.S. ghettos could explode in "urban warfare on a massive scale" at any time, the *Sunday Times* of London reported July 22.

Assistant Los Angeles chief of police William Rathburn told the *Sunday Times*: "If it happens again, it won't be rioting, it will be urban warfare on a massive scale. We're talking house-to-house fighting between police and gangsters armed with AK-47s, Uzis, and pump-action shotguns." Children of 14 are killers, one policeman said, describing one who has already been arrested for murder twice and "who has seen more combat than a Vietnam veteran."

A former London policeman who joined the Los Angeles force said: "It is not until the gangs go into the middle-class areas and shoot and rob someone that anyone takes any notice. They seem to want to let Watts and areas like it sink without trace." Referring to the horrible economic and social conditions where black men have less chance of reaching 40 than a man born in Bangladesh, one of the world's poorest countries, and where unemployment reaches 80%, he said "This is supposed to be America in the 1990s. . . . We might as well be in Dhaka."

The only question of whether there will be a riot is if people have the energy to attack the authorities. Black Employee Association head Clyde Johnson told the *Sunday Times*: "You have to have hope to have frustration. . . . Some people just do not feel they are part of the country any longer and therefore they don't even think of attacking the authorities."

Panama invasion compared to My Lai

U.S. military conduct in the invasion of Panama has prompted comparisons to the My Lai massacre in Vietnam from the *Washington Post*, in an article on the case of an American GI being tried for first-degree

murder of a Panamanian civilian.

"The Bryan case, and another murder case involving a U.S. soldier from Fort Ord, who allegedly shot a woman outside a brothel in Panama during an unprovoked shooting spree, have stirred painful memories of the massacre of civilians at My Lai in Vietnam more than two decades ago that tarnished the service's image and inflated anti-Vietnam War sentiment," the article read.

Former Army Airborne Col. David Hackworth was quoted saying he believes that the Bryan case, in which 1st Sgt. Robert Bryan shot a Panamanian after a grenade attack during the invasion, "really involves a question of the Army making him a scapegoat to avoid pursuing a number of alleged atrocities against civilians during the invasion."

Bush implicated in new S&L scandal

James Fail, embroiled in a savings and loan scandal, had hired former Bush legislative assistant Robert J. Thompson to secure \$1.85 billion in federal savings and loan subsidies with only \$1,000 in personal investment capital, investigative journalist Jeff Gerth reported in the July 22 *New York Times*.

Fail, who paid Thompson \$65,000 from one of the banks he took over, reportedly employed Thompson to lobby Federal Deposit Insurance Corp. chairman L. William Seidman. Gerth focuses on the close ties Thompson claimed to have with Bush, implying that this was the influence through which Fail's deal was consolidated.

As Seidman himself admits, the FDIC rushed through approval of Fail's bid, which was only 10% of what should have been asked, for the 15 failed Texas S&Ls without Fail even having filled out the proper paperwork. Missing, for example, was a form that would have shown that Fail had been indicted in Alabama years earlier for irregularities in an insurance business.

Sen. Howard Metzenbaum (D-Ohio), who is leading the Senate inquiry, calls Fail "the worst case" to emerge to date.

Brennan resignation end of Warren Court

Associate U.S. Supreme Court Justice William J. Brennan, Jr. told President Bush on July 20 that he was resigning effectively immediately due to advanced age. He is 84 and recently suffered a mild stroke, according to news reports.

The surprise resignation gives Bush the opportunity to appoint a Justice, effectively signaling the end of the Warren Court decisions protecting constitutional liberties.

On July 23, Bush named Harvard-educated Rhodes Scholar David Souter to fill the vacancy. Described by Bush as a "strict constructionist," Souter hails from New Hampshire, where he served as attorney general and was nominated to the State Supreme Court in 1983 by then-Gov. John Sununu, who subsequently advised Bush to appoint him to the federal appeals court. Sununu, as well as Sen. Warren Rudman (R-N.H.) and Attorney General Richard Thornburgh, were all reportedly involved in Bush's decision to select Souter.

U.S. admits fraudulent wetlands prosecution

Solicitor General Kenneth Starr filed a brief with the Supreme Court which admitted that the government's case against Maryland farmer John Poszgai was "quite thin" and that the brief filed by the government when the case went before the Third Circuit Court of Appeals inaccurately stated that photographs introduced during the trial proved a key legal point—that the government had jurisdiction over Poszgai's property.

Poszgai, convicted of an environmental crime of filling a "wetland," faces a three-year sentence, \$202,000 in fines, and must restore the swamp which Poszgai, a refugee from the Hungarian repression in 1956, had drained and filled in order to expand his part-time diesel repair business.

According to interpretations of the Clean Water Act introduced by the Bush adminis-

tration, the term "wetlands" refers to any plot of soil *capable* of holding water—whether water is present in the soil or not.

Under this definition, the Environmental Protection Agency has been established as a federal zoning board, since virtually every square inch of virgin soil in the country meets this criterion—including desert areas. Land which is already developed must be reviewed by the EPA before any further improvements can be made as well.

One of the major enforcers of the new interpretations has been the legal department of the Army Corps of Engineers, which has recently reversed its orientation to make an alliance with the greens in the assault on development.

Fraud caused only 3% of S&L losses

Most of the savings and loan losses came from falling real estate values and excessive interest rates paid by sick thrifts to attract deposits, thrift consultant Bert Ely told the July 20 *Wall Street Journal*.

Ely estimates the federal government's total losses at \$147 billion, and says that only \$5 billion—3%—of those losses were caused by fraud. Ely says that the biggest chunk of losses, \$43 billion, comes from interest costs on the pre-1983 thrift losses; followed by \$28 billion in real estate-related losses; \$25 billion in pre-1983 losses; and \$14 billion to repay depositors.

Industry and government sources estimate that the government will recoup far less than \$1 billion, and economists say that government officials attribute the mess to fraud because it's easier to do that than to explain why they delayed the cleanup and added to its cost, the *Journal* said.

Gen. Monahan says SDI more urgent than ever

Gen. George Monahan, the recently retired head of the Pentagon's Strategic Defense Initiative Organization, said the SDI is more

necessary than ever because of perestroika, in a commentary in the July 19 *Los Angeles Times*.

Monahan states that the number-one reason to deploy the SDI remains the Soviet Union, which is more of a military threat than ever. "Perestroika has made the Soviet Union more dangerous" because "stability cannot be assumed," Monahan said. "We now spend more than \$5 billion a year not to grow crops. The 1991 SDI budget request is \$4.6 billion. Isn't spending money to protect ourselves a better investment?"

The Government Accounting Office released an 11-month study July 18 on the progress of SDI research. It concluded that the managers of the SDI office will not be able to give competent advice by early-1993 in respect to deployment. President Bush had said that he wanted to decide by January 1993 whether to deploy the SDI.

Auto contract talks open in Detroit

Contract talks between the United Auto Workers and General Motors opened July 18 in Detroit. The current UAW contracts with all three major auto manufacturers expire Sept. 14.

The UAW has put forward militant demands for job security and preservation of health care insurance benefits, while the "Big Three" auto companies—badly hurt by a collapsing economy and erosion of market share to foreign companies—want to slash costs at union expense. Neither side can afford a strike as the companies would suffer an even further deterioration in market share, while for the union, a strike would push companies to contract out more work to non-union companies and workers.

A strike could also severely add to the ongoing depression. But, because these contracts are seen as the pace-setter for all labor agreements this decade, there could well be a strike. Inventories in the industry are high; in the recent period, imports of Canadian-manufactured cars have risen to swell those inventories even further. That could presage that the companies—GM in particular—are girding for a strike.

● **TEXAS SHRIMPERS** are being pressured by eco-fascists to go out of business, after 31 sea turtle carcasses washed ashore in the week after shrimping season opened July 8. By July 19, five shrimp boat captains had been arrested for failing to use Turtle Excluder Devices.

● **1.3 MILLION** Americans per year are murdered through euthanasia, according to an article in the July 23 *New York Times* which promotes the use of living wills.

● **TOM HAYDEN** said that his efforts to turn California green is "the most productive four years of my own political life," in the July 12 *Chicago News and Review*. "The Big Green Initiative allows California voters to set an environmental agenda for the next 20 years."

● **ADM. JAMES WATKINS**, the Secretary of Energy, is currying favor with the environmentalists because he wants to run for the U.S. Senate, a former DoE official has said. Watkins said July 11 that a study would reveal radiation dose rates as high as 3,000 rad to residents near the Hanford, Washington, Manhattan Project site in the 1940s, but his press office told *EIR* they do not know where he got that figure.

● **U.S. JUDGE** Eugene Spellman of Miami said July 19 the Immigration and Naturalization Service has "routinely engaged in underhanded tactics in dealing with Haitians seeking asylum in this country, and has singled them out for special discriminatory treatment."

● **ELEVEN FEDERAL** agents raided the home of a North Dakota tax accountant on July 11 with guns drawn and wearing bulletproof vests, seizing records pertaining to her farmer clients. Her invalid husband and two children under 6 years old, were at home.