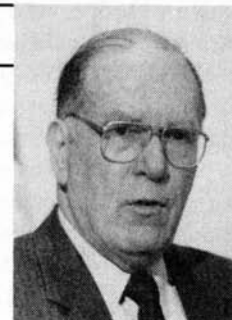

Interview: Lyndon LaRouche



Where's the smoking gun in Arkansas? Ask George Bush

The following is abridged from the transcript of Lyndon LaRouche's weekly radio interview with "Executive Intelligence Review Talks," on April 13. He spoke with Melvin Klenetsky. Readers who are interested in having their radio stations anywhere in the world broadcast LaRouche's weekly interview can contact Frank Bell at (703) 777-9451.

EIR: I want to go into some of the developments around Whitewater, especially with this recent book *Compromised*, by Terry Reed. It tells the story of Mena, Arkansas, where the pilots were trained for the Contra side of the Iran-Contra affair; it's come up recently in connection with some of the investigations into Whitewater.

LaRouche: I should remind people of what we did in 1991, especially into 1992, a significant investigation of the Arkansas area, and also, specifically, of the Terry Reed case and the related Seal case.

As you probably know, Seal was one of these Bush pilots (I think that is the best term for him) who was picked up as an informant for the Drug Enforcement Agency, who was working as a sting agent, and also a drug importer from Colombia, for an FBI official by the name of Oliver "Buck" Revell.

Oliver "Buck" Revell turned Seal over to Oliver North at a certain point. Oliver North at that time was using a pseudonym of John Cathey, putatively a CIA agent—which he was not. He was operating out of 2C840 at the Joint Chiefs of Staff under a counterintelligence cover, a counterterrorist cover, directed by Major General Secord and others.

Now, North ran Seal. North was working for George Bush, Vice President George Bush. There are National Decision Directives #2 and #3 which identify the exact command structure under which North was working for Bush, in the entire Iran-Contra area. Of course, there's a big cover up on that, which is the relevant point.

According to the book *Compromised*, which was co-authored by Terry Reed and John Cummings, Barry Seal got the idea of blackmailing George Bush (or extortion, or whatever you want to call it), to get a little better deal for himself, because Barry had information, according to Barry's claim, that he had the goods on two of George Bush's sons for being involved in drug running. Now there are other

indications besides that which have come to my attention in the course of investigations.

Later, the book identifies—and I have some corroborating indications, though I wouldn't be able to sustain it entirely myself—that George Bush ran a sting operation against the governor of Arkansas, a fellow by the name of Bill Clinton, trying to get Clinton into a position to protect George Bush's sons from the kind of operation which Barry Seal was running. Seal was putting on pressure.

Barry Seal then was mysteriously killed. That is, he went to a courtroom, and as he went to his probationary assignment, he died. Some people shot him down; he was supposed to have anonymity as a government informant, but the judge ordered that the address and time of his appearance at this location, would be published on the record, and the man was promptly dead. So that took care of the extortion threat against George Bush, which is reported in the book as coming from Barry Seal; Barry Seal was dead.

Clinton's brother, Roger Clinton, was stung with a drug operation; that was supposed to prevent Clinton from getting on Bush's tail, and Bush apparently had cooperation from the state troopers of the state of Arkansas, in running some of these operations. Remember, whatever Ollie North did, he was doing for Bush. Bush was his boss.

What has happened now, is that this crazy Ambrose Evans-Pritchard, the British agent who is working under cover for the London *Daily Telegraph*, running the operation against Clinton, these guys got their noses into the Terry Reed case, and were trying to use the Terry Reed case, with the book just being published, against Clinton, as part of Whitewatergate. Well, we looked at the thing, and we said, "Wait a minute, buddy! You're going after the wrong target. If you keep pushing this line, the guy you're going to expose is George Bush, and you're going to create a lot of problems for his two sons, who are running for office; and you may get some people around the country in Texas and Florida, who will say 'Don't elect those sons of Bush.'"

So that's the kind of situation. It's highly interesting, and it shows how stupid some of these Bush people are, because Bush, of course, is a heavy supporter of this operation against Clinton. And to imagine that Bush is supporting an operation which is about to expose him—I don't think he's going to be

too happy with that.

EIR: I understand that there is a Mexican side to this, which involves Cuauhtémoc Cárdenas, the former governor of Michoacán who's a presidential candidate. Apparently the machine-tool plants that were used in Mena, Arkansas, as part of Iran-Contra, were moved to Mexico, and one of the people involved was a gentleman by the name of Cuauhtémoc Cárdenas, according to the book, who is now running for the office of the President in Mexico.

LaRouche: I think people should read the book *Compromised*. It has an extended passage on this.

Remember, our knowledge on the Terry Reed case is based in large degree on cross-checking federal court records on the two cases: one, the criminal case which Terry Reed defeated, where they tried to frame him through the state troopers to cover up for Bush; and he beat the case through discovery, which showed the whole thing was a government fraud. And the second thing was a civil case arising out of the same action which also put a lot of things on the record.

So, most of the circumstantial area in which Cárdenas is named, is on the legal record, and it's top-grade evidence, shall we say.

Now, there are certain parts which would have to be corroborated, and there is an open letter in Mexico on this matter, publicly addressed to the presidential candidate Cuauhtémoc Cárdenas, which asks him to clarify this matter, because he is named in a way which really smells, and he has to clean this thing up quick, or else admit it's true, one of the two.

What they claim is this, and what I know is true, is that Terry Reed was used by Bush's Oliver North to move the dirtiest part of the drug-weapons operation out of Mena, Arkansas in the Intermountain Regional Airport, and to move it into Mexico, into Guadalajara Airport.

Now, Terry Reed was brought in, because Terry Reed is a machine-tool specialist, that is, apart from his military-intelligence background. So he was running ostensibly a machine-tool operation on behalf of the U.S. government; and he believed, and had every reason to believe, that he was working for the U.S. government; as a matter of fact, he was.

But he then discovered the thing was dirty, because he saw the white powder and the weapons, and he realized that this was not what he'd been told it was, it was something quite dirty, and he wanted out, and that's how the whole case came to the fore. And he then later recognized that Oliver North was the John Cathey who had been doing all these dirty things, together with Amiram Nir and with a guy he knew as Max Gomez, and who he later found out was Felix Rodriguez of the CIA, and so forth and so on and so on.

So in this, is an account by Terry Reed of a conversation he had with Max Gomez—i.e., Felix Rodriguez—and also with Cárdenas; it's in the book; in which the situation is described to him by Felix Rodriguez, and presumably others,

that is, that Cárdenas is a stooge for George Bush, and is on the U.S. payroll; and despite the fact that Cárdenas will be uppity and so forth, recognize that we own this guy. So that's what the conversation is about.

Now, this means that Cárdenas, either as a governor in Mexico or as a former governor, with a lot of political clout, was covering up for this drug and weapon operation running through Guadalajara Airport into Mena, Arkansas.

I happen to know some people who were involved in these operations; I met them in prison, people who knew [Eugene] Hasenfuss, they were co-workers of Hasenfuss, and they knew Barry Seal very well. And they were part of this system of Bush pilots. They were former marijuana pilots, who were running cocaine from Colombia into places like Fort Howard, Florida; places like the Bahamas, as well as places like Arkansas, up into Illinois.

So, between what we've done on investigation, what we've done on the court record, the book and so forth, I know a lot that can corroborate aspects of what I read in the book; and the thing is highly credible, though, as I say, there are aspects which will have to be checked before we come to a conclusion.

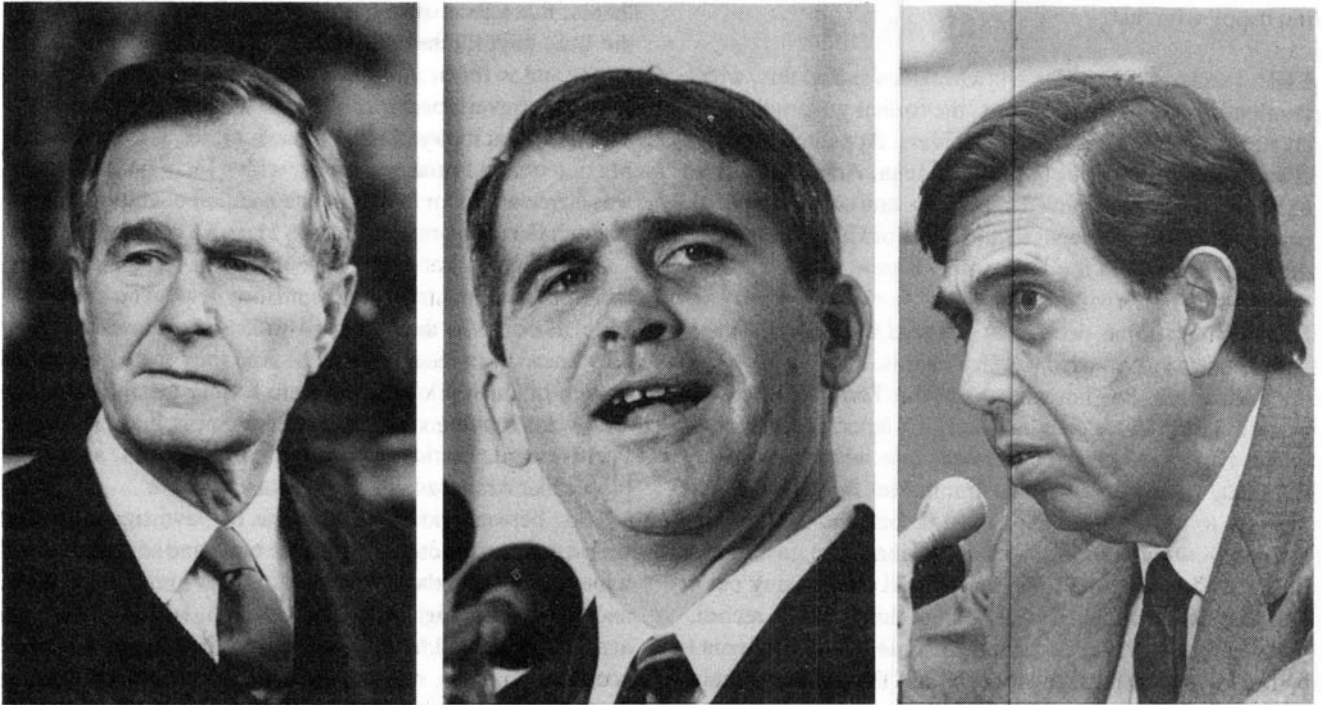
But what we have here in the story, is a smoking gun. The acts occurred; the people are named. Now, if anyone ever thought that something ought to be investigated, here is a prime case for investigation.

On top of it, it involves an area in which North has lied, in which Bush has lied, in which sections of the Senate and House Intelligence Committee set up an operation to cover Bush's butt.

Bush, according to national division directors, was Oliver North's boss; and every time that Oliver North says "Reagan knew," he should be speaking about George Bush, because *George Bush was North's boss*, and George Bush had hands-on supervision over this entire area. So it's a smoking gun which goes into an area of an established coverup, an attempt to cover up for George Bush and North, and this thing ought to be investigated.

EIR: Most people think of Iran-Contra in a different way, as defending a government against left-wing guerrillas and terrorists. Oliver North was seen as a hero in the congressional hearings on Iran-Contra, and yet, you're talking about this whole operation in terms of drug-running, weapons-trafficking. This is quite a revelation for the American population. Also, I think it's quite interesting that you're saying that George Bush—not Ronald Reagan—was the real hands-on deployer of Iran-Contra and Ollie North.

LaRouche: Well, we knew a lot at the time, and a lot of other people did. The Senate and House representatives at the Joint Intelligence Committee hearing threw a bunch of real soft pitches at Ollie North, which gave him immunity from prosecution for what they had the evidence on him for; and also painted this guy, who was running a dirty, venal



Three people who are in big trouble because of the latest revelations about the Iran-Contra drug traffic and an airport in Mena, Arkansas (left to right): George Bush, Oliver North, and Mexico's Cuauhtémoc Cárdenas.

operation, as some kind of a national hero!

But since that time, we've had occasion to investigate a number of things, which keep coming back to George Bush and Oliver North—including an investigation of Room 2C840 in the Joint Chiefs of Staff, which is called by insiders the "focal point," which is where this dirty operation was based, based on the same thing as the Shackley-Wilson operation of earlier times, being run by Major-General Secord and this cast of characters—all under the supervision, according to the National Decision Directives, of Vice President George Bush. I guess they decided that since he was the vice president, they'd put him in charge of vice! And that's what this was.

Now, this wasn't just Iran-Contra; this was running big chunks of drugs into the United States for consumption by the U.S. drug-using class, especially cocaine.

But that's only an aspect of it. A lot of this money was used in a much bigger weapons-trafficking operation, which involved two wars, both of which went on for about eight years.

One was a war between Iran and Iraq, which went on for about eight years and took about 2 million lives. And a lot of military hardware was used up in that war.

Then you had a war going on in Afghanistan, where there were all kinds of people from the U.S. Establishment, the same crowd, involved there: running weapons through people like the people who were just convicted in New York, of this so-called World Trade Center bombing. They were

running masses of weapons through Pakistan into Afghanistan, into drug runners, like the Hekmatyar operation up there, and that took at least a million lives there.

These were used weapons. Ollie North and company were getting weapons, through Israel, through that operation, from Sweden, through John Train's acquaintances up there, for example. They were getting weapons from East Germany, through Rostock, through a guy called Schalck-Golodkowski, who was running that monopoly for the East Germans, taking weapons which were Soviet-style weapons from Poland and elsewhere, putting fake end-user certificates on them, and sticking them on Danish ships like the Pia Vesta, which was intercepted by Manuel Noriega, when he was chief of the military in Panama. That didn't make Ollie at all happy, or George Bush. They got caught with these illegal weapons, couldn't talk about it.

But this was a massive weapons-trafficking, all crooked, all used to further both sides in a war.

We've had the case in Britain, this investigation there, where the details came to light: The British government under Mrs. Thatcher was playing both sides in the Iraq-Iran war, in order to keep the war going for geopolitical purposes, as long as possible. So the minute that the Iraqis were in danger of losing, they would get more weapons. When the Iranians were getting a tough blow from the Iraqis, they would get more weapons; and the British and the Bush leaguers in this United States, were playing that game, along with people like Ollie North, for all the money they could get out of it.

And this was a real bunch of venal scoundrels, merchants of death in the worst sense.

What was called Iran-Contra, was a small piece of the action on this particular dirty operation.

This involved, prominently, the friends of Ariel Sharon, his faction in Israel; and involved the neo-cons (politically or otherwise), the people who are supporting the British in running this smear operation against the presidency of the United States right now.

So it's a big story, it's a dirty story. In my view, the truth about it has to come out. You want to talk about coverup? Let's clean up the coverup. George Bush's friends have opened up the question of the Terry Reed case; well, there's a smoking gun—let's go look at it.

EIR: One of the people who is famous for playing these kinds of dirty tricks on both sides, is Henry Kissinger. He recently told reporters in Washington, that the U.S. should never have supported Bosnian independence, since Bosnia, to his knowledge, never existed as a nation. How do you view these statements by Kissinger? What are your thoughts about the recent use of air power by NATO against Serbian positions that were shelling Gorazde?

LaRouche: Remember that the operation in the Balkans was set up by British intelligence, which involved the people who owned Henry Kissinger, according to his own admission. He's owned by the Hollinger crowd, the crowd that runs with Lord Carrington. Carrington was involved early on in this; this is a complete British operation. And Kissinger's former employees, Larry Eagleburger, and Brent Scowcroft under Bush, were the key guys on the Bush side, who helped Margaret Thatcher set up the Serbian attack on their neighbors. And of course, there were some very venal operations—typical of Kissinger. Take the case of the Yugo car, a dirty operation involving Larry Eagleburger and Kissinger Associates, to scam Yugoslavia to dump a car on the United States at less than cost, so that Milosevic could acquire the piggybank fund to enable him to launch his fascist aggression upon Slovenia, Croatia, Kosova, Bosnia; and next, of course, on the schedule, is Makedonija.

Kissinger is a liar most of the time anyway, so don't give him any credibility; and actually, he doesn't know anything about Bosnia, apparently. Bosnia did have a long-term independent existence, and Kissinger just didn't bother to find out about it. He just makes up his facts, often, as he goes along.

But on the air strike: There are several problems here. The air strike was the right thing to do. Belated—a year late; but it was the right thing to do, even if it was called for by the British commander, Rose, on the scene, without telling Yeltsin, and Yeltsin then blamed Clinton for not telling him, when Clinton wasn't told. The British played funny games.

But you have two forces there. You have the U.S. and French Air Forces, which should not play a ground game.

Then you have the Bosnian forces, which are increasingly well-armed. With the aid of air power—without getting the United States down into the mud on the ground—you can run a very good operation to cut through the fraud of this “Serbian invincibility,” because the Serb forces are *not* invincible, it's just that they have the British and Kissinger's friends helping them; without that, they'd be nothing.

We should not be in haste to get to the bargaining table to get a settlement; but we should rather be looking at a *status quo ante* settlement. Because once the Bosnians begin to knock these Serbs around, which they can do if the Serbs aren't able to run these kinds of operation as they are against Gorazde, then you've got a different situation and you can have a little different political terms of negotiation. That's what we should do.

I just don't want to get into a Vietnam situation, a Kissinger-type situation, in which the battlefield is run for the purpose of the following morning's negotiation at the bargaining table. That was the essence of Vietnam. Vietnam was not run as a war; it was run as a dirty, bloody operation to further Kissinger's operations (when he came into the picture, of course), not only in the Paris negotiations with Hanoi, but also Kissinger's negotiations with the Soviets and with Beijing.

So here was a dirty war, which took a great number of U.S. lives—as well as millions of others—fought not for some military purpose, but fought entirely to adjust the negotiating table conditions. And if you allow this London crowd, or these United Nations fanatics to get into that kind of thing, of saying, “No, the object is to force the Serbs to be more reasonable at the bargaining table, on some little point, in the morning,” that is the most unwholesome, dirty thing you can do; and that's the way you get into a quagmire.

So *don't* get into a quagmire. If you're going to fight war or participate in military actions, *let the generals carry out the mission* for which the war is being fought. And obviously, our generals do not want to get entangled in a muddy ground war in the Balkans. They would rather take the view that the Bosnians should get the weapons they need to fight, and the Croats the same thing. And this kind of bargaining table operation, this so-called “cabinet warfare” operation, should come to a screeching halt.

The danger here is cabinet warfare. If we avoid cabinet warfare, and do a clean military operation for a specific mission and purpose, then we can handle the thing properly.

EIR: Poverty has touched more than 40% of the Russian population. Industrial production declined 16% in 1993, after an 18% decline in 1992. The Russian military is saying that they're going to open up 30 new bases in the “Near Abroad,” and they're implementing a new military doctrine for the Community of Independent States in 10 CIS republics. How do you see these developments? How do you see them affecting Russian-American relations?

LaRouche: First of all, there are aspects of the Russian “Near Abroad” response—this seeking bases in various places—which involve questions of constitutional law which I’m afraid very few people in the United States understand today.

There is a book which was written in 1952 by a now more aged, dear friend of mine, Professor von der Heydte, on the difference between the concept of constitutional law under modern nation-states and the old imperial idea of law.

Let me say in brief, that the Russian tradition in law, is the *imperial*—that is, the pre-Renaissance tradition of imperial law. It is not based on the principles of law which were established in the 15th century in western Europe, which are the principles of law which we used to have, as our constitutional law in the United States.

So therefore, when you’re looking at the Russian state mentality, and its approach to these things, you have to know what yardstick you have to use to understand what they are saying and what they are doing. It is a different standard of law than we have had for the past, say, almost 600 years in the West.

Otherwise, the problem is very simple. We had the opportunity, in November-December 1989 and afterward, to launch the kind of reconstruction program which we launched in Europe at the end of World War II. We had the opportunity to do a reconstruction approach, as we did in, say, Germany and other parts of Europe at the end of World War II, the policy we continued through the Kennedy years, which we stopped after the Kennedy years. That kind of policy, would have been the right economic-strategic policy from which all political approaches should flow.

We didn’t do that; when George Bush and his manager, James Baker III, sent Bob Strauss as ambassador to Moscow, I made two comments. I said well, first of all, the problem here is that, for about 40-50 years, the Bolsheviks told the Russian people that capitalism is thuggery and theft; and now Gorbachov has said to the Russian communists, we’re all going to become capitalists; and to make things worse, George Bush and James Baker III are sending the “prince of thieves,” Bob Strauss, over to Moscow as ambassador. The result is not going to be a good one.

Added to this kind of operation, the IMF conditionalities and shock therapy—what they did is to ruin all of the former Warsaw Pact—eastern Europe. East Germany is a disaster area, as a result of its capitulating to American and British conditions, or Thatcher-Bush conditions. Poland is down to less than 30% of its 1989 production. All of eastern Europe is the same. Russia, Ukraine: much the same. What the exact numbers are, is a matter of indifference; they’re very poor numbers right now.

This makes the Russian people very angry, and the Russian people, unlike other nations of eastern Europe, have thermonuclear capabilities. They have some of the best in the world, as ours collapse; and they say: “If we have thermo-

nuclear weapons, why are we hungry?”

Unless a positive solution is introduced to this Russian situation, then you will tend to get, not a military dictatorship, but a very tough regime which begins to rely upon every degree of power that Russia can exert, both in the former Soviet Union and beyond, in order to put pressure on the world, to get some potatoes and bread on the tables of hungry Russian people. And that’s what you’re seeing.

EIR: The Banco Latino of Venezuela reopened after Venezuelan President Rafael Caldera pumped \$2.75 billion into it. Before, we had a big drop in the stock markets, there were crises in different financial institutions, such as Banesto in Spain, Crédit Lyonnais in France, Metallgesellschaft in Germany. There is a very shaky situation around the world.

LaRouche: Well, if you go back to 1931, and you look at the crash of the banking system and the world financial and monetary crisis which occurred that year, at the time that the British still controlled the world monetary system, you had the collapse of various things, but one of the first, was the Kreditanstalt Bank in Vienna. In the spring, that collapsed. That meant the entire Europe credit structure tied to the pound went into a nosedive. As a result of the collapse of Kreditanstalt, you had in Germany a very large bank go under: the Donatbank, which had a similar profile to that of Kreditanstalt.

The collapse of these two banks set forth a chain reaction which led to the September 1931 collapse of the British pound, when [Ramsey] MacDonald let the pound float; and it was that floating of the pound in September of 1931, which brought on what people in the United States then came to know as the Great Depression of the 1930s.

If you look at today’s headlines, looking particularly at what’s happened since mid-March through the present—April—what you’re seeing is Kreditanstalt Banks and Donatbanks or similar private funds collapsing every day, or virtually every day.

You see George Soros, the man who could commit no errors, losing \$600 million in one day in yen speculation. You see hedge funds in multibillion-dollar amounts going belly up. You see one of the major banks, part of 19th- and 20th-century history, Crédit Lyonnais, going more or less belly up, as a result of its involvement in the French or the Paris market in derivatives. You see similar things happening all over the United States.

We are now in an unstoppable, total global collapse of the present world financial and monetary system. Nothing can be done to stop its collapse; nothing can be done to save it. The IMF system is *finished*; nothing can be done to save it.

The only question is exactly when the total breakdown will occur. We are already having the collapse. We are into what may be called a final collapse of the present, post-1971, floating exchange rate, financial and monetary order.

Nothing can stop it. It's over; the show has ended; the curtain has yet to be rung down. And that's the day that money doesn't work very well any more; and we're getting fast toward that point.

The issue is, as President Caldera of Venezuela had to face it in the case of Banco Latino, that the government is going to have to act at that point, to decide what we are going to save, in terms of the banking system—because they're all going to be bankrupt. What are we going to do to build a new financial and monetary system?

Now that has to be done more or less on a dime. The problem at this moment, even though I think the Clinton administration might be a positive factor in this, the fact of the matter is, even though we have constitutional provisions and we have legal provisions on the books by which the President of the United States could, with the consent of Congress, act to solve these problems, there is at this moment *no consensus* even among a minority of the leadership, to do anything about this.

There is some talk about industrial policy: in Germany; we have the *Atlantic Monthly* series which raises the question a bit in the United States and so forth; but there is no consensus about what an industrial-financial recovery program means. And the thing that worries me at the moment, is that I as a political figure seem to be the only one with that kind of package in my hand.

We need to have a broader grasp of the fact that this system is dead. Don't try to save it, don't talk about "recovery," stop this nonsense. It's gone.

The question is: Is there life after death of the IMF? Or: Is the United States going to live, or is it going to go into deep misery simply because the IMF collapses? Or will the United States government take those actions which, according to its Constitution, are in its power, to save the United States, to prevent a deep worsening of the misery of our people, to get us on the road to a genuine recovery, not a Bush league recovery of the type we had back in the 1980s? And that's the issue. And we have to see what is happening before us on the television screen.

Every day we're seeing 1931-like events, and bigger; and instead of being frozen like rabbits frightened by a snake, we have to recognize that there are solutions, and we have to insist that political leaders put themselves in position to define, ready to implement, those solutions at the time that's needed.

EIR: I'd like to move on to the United Nations. They've declared 1994 the "Year of the Family," part of which will be the September U.N. Population Conference in Cairo. Pope John Paul II is quite upset about the Cairo conference. He said it's really against the family.

Do you think that the major foundations of western civilization, such as family and nation, are on the chopping block, as the pope seems to feel? And what role is the United Nations

playing in these efforts to undermine family and the concepts of family and nation?

LaRouche: I think they should call the U.N.'s intent in this matter, the Cairo conference—which I don't think should be allowed to occur—a memorial to the memory of the departed institution of the family. Because if the Cairo conference were to succeed, the family as we know it around the world, would be dead as a protected institution. You cannot be for the family, and tolerate the Cairo conference. Now, what's going on here?

What we're looking at in the U.N., is two things. We're looking first of all at a *purely Malthusian* operation. People should go their libraries and check the books. They will find that there's not a single idea ever written by Adam Smith, Jeremy Bentham, or Thomas Malthus, which was not plagiarized from the writings of a rather notable but unfortunately little-known Venetian writer by the name of Giammaria Ortes.

Everything that Adam Smith wrote, in terms of conceptions, in both his *Theory of the Moral Sentiments* in 1759 and in his 1776 *The Wealth of Nations*, was copied directly from this satanic priest, this Giammaria Ortes of Venice.

Everything that Bentham wrote on pleasure and pain, his *Principles of Morals and Legislation*, his *Defense of Usury*, his *Defense of Pederasty*; everything that Malthus wrote on population; everything that these U.N. people have written about "carrying capacity," *was written in the 18th century in published works of Giammaria Ortes*, from which these British fellows took everything they had.

So when you look at this that way, you realize that the idea of world overpopulation is a fraud; that Malthusianism is a complete fraud, it's an unscientific piece of quackery, which would not have passed around the world except that we have so few people today who have any scientific literacy whatsoever. If we had the scientific literacy today that we had, say, in the 1950s, that bunk would never be tolerated. Only by making people illiterate and dumb, do you get them to go along with this kind of stuff. Now, what's worse than that?

What they're proposing, is the extinction of the institution of the nation-state, and the extinction of the rights of the family; pure and simple.

If the Cairo conference proposals were to be adopted, even in a somewhat diluted form, you would have the following result. United Nations Blue Helmet forces would be gamekeepers; and the people would be theme park residents in a global zoo, or a global animal reserve, in which the gamekeepers would go around to countries, and tell the countries what size population they were allowed to have. And if they didn't accept that, *then the gamekeepers would make sure that the population size was adjusted*.

This stuff stinks worse than Auschwitz; and no one has any moral excuse in the world, or any scientific or any opinion excuse, any more than Adolf Hitler did.