

# National News

## Arlen Specter still doing it with mirrors

Sen. Arlen Specter (R-Pa.), who conjured up the "magic bullet" theory for the Warren Commission coverup following the Kennedy assassination, still practices a little sleight-of-hand during Senate deliberations. One of his recent attempts came during debate on the budget reconciliation bill on Oct. 24.

Mindful perhaps of the growing backlash against the Conservative Revolution's "Contract with America," Specter made an appearance on the floor to "question spending cuts directed so disproportionately against the elderly, the young, and the infirm." Referring to last November's election results, he said, "I am fearful that we will forfeit that political high ground in an instant, if we adopt a budget that not only fails to end the deficit; but that, either in appearance or in fact, makes the least affluent Americans bear the heaviest burdens while giving most of the tax benefits to the most affluent among us."

In the same speech, however, Specter offered his own version of the flat-tax scheme to loot the federal treasury and "ordinary" Americans, for the benefit of the very wealthiest speculators. Specter proposed to scrap the current tax code, and replace it with a 20% across-the-board flat tax. There would be no capital gains tax of any kind, because "the answer to encouraging investment and growth is not simply to reduce the capital gains tax, but to eliminate it entirely."

## Thatcher-fest featured leading enemies of U.S.

The turnout for Baroness Margaret Thatcher's 70th birthday bash at Washington's Union Station fell short of expectations—at least among some of Britain's leading circles. Given the list of those who did attend the Oct. 23 dinner, it is no wonder that a number of prominent invitees stayed away.

Sir Henry Kissinger, so dubbed since

being recently knighted by Queen Elizabeth, was absent from the groaning board, but several of the self-styled British agent's longtime flunkies showed, including Richard Burt and Brent Scowcroft (chairman of Kissinger Associates, before becoming President Bush's national security adviser).

The list of leading enemies of the United States also featured Conrad Black, head of Britain's Hollinger Corp.—the puppet-master behind Ambrose Evans-Pritchard and James Dale Davidson, leading slanderers of President Clinton and his administration (see p. 80). Former Canadian Prime Minister Brian Mulroney, a creation of Black's, also made it to the trough. Mulroney now sits on the board of the Hollinger Corp., as well as that of Archer Daniels Midland, the Dwayne Andreas grain cartel currently facing federal anti-trust charges.

Other sublumbaries in attendance included billionaire Walter Annenberg, former U.S. ambassador to the Court of St. James, who has spent vast sums attempting to destroy public education; Geoffrey Bible, chairman and CEO of Philip Morris, who underwrote the dinner and also pays Thatcher \$1 million a year in "consultant" fees; House Speaker Newt Gingrich (R-Ga.), a self-styled "disciple" of Thatcher's; and Sen. Phil Gramm (R-Tex.), the Conservative Revolutionist running for President on a program to destroy the United States.

## Commodity trading now extends to prisoners

Over the past 18 months, roughly 10,000 inmates in state prison systems have been traded like commodities from one facility to another, the *Washington Post* reported in an Oct. 29 story headlined "Bartering Inmate Futures."

Redistributing prison populations has generally been presented as a remedy for overcrowding. The *Post* claims, however, that such transfers are frequently determined by comparing the costs of housing a prisoner, to his value to the state as a worker in its prison labor system.

This may sound like a restoration of chattel slavery; and indeed the *Post* reports that the spreading practice "has turned pris-

oners into a commodity, as empty county jails and private prisons compete for excess inmates and the money they bring. There are prisoner placement consultants and rules for what kind of prisoner can travel (the healthy and tractable are preferred). One prison in Texas, where the county system houses by far the greatest number of out-of-staters in the country, advertises, its aim being to keep corrections employees employed and the local economy alive."

"I would never apply the word commodity to human beings," James Roberts told the *Post*. He is vice president of Dominion, an Oklahoma company that locates private prisons, and brokers transfers of prisoner for a fee. "I would say that they are becoming some kind of economic unit that represents a cost and, to the receiving facility or region, represents an economic benefit."

## 'Virtual companies' now billed as growth trend

Sane persons might imagine they were reading a spoof attributed to "lunatics from cyberspace," but the Oct. 29 *Washington Post* claimed that the newest economic growth trend is the rise of "virtual companies." The *Post* described this new corporate blip on its screen as a company which "pares physical and human assets to a minimum and contracts out most of its work to specialty companies that can do the work more quickly, at less cost."

The *Post* cites Alpha 1 Biomedicals, based in Bethesda, Maryland, as a "virtual company," which does research and "produces" biomedical products. In April 1994, Alpha 1 closed down its manufacturing facility and fired most of its 29 workers, after a research project it undertook proved a failure. Alpha 1's president and chief executive officer, Michael Berman, boasts, "I used to equate infrastructure with success. . . . The question is, how do you limit risk? You do this by limiting the stuff that's easy to build but hard to get rid of, like buildings and laboratories and big workforces."

Now, Alpha 1 produces nothing, and does no research of its own. Berman and four other officers (Alpha 1's sole remaining employees) sit around and "think a

lot." The "virtual company" buys research from laboratories whose own workers are often people fired from other "virtual" companies, who now work for lower wages and have fewer health and other benefits.

In this corporate version of "virtual reality," the paradigm is a combination of hot-wired speculative investment, with a small management team directing a company without workers. Nike footwear, another "virtual company" with no production facilities of its own, subcontracts to international suppliers of sweatshop labor, while confining much of its "investment" to massive advertising campaigns on television.

## Minn. paper reports on legacy of Lanksy mob

The seamy side of Minnesota politics came to light again recently in the Oct. 11 issue of *City Pages*, a Minneapolis-based journal. In an article headlined "Minneapolis Confidential," the paper recounted the city's history as a center of organized crime.

"Despite its bout with reformism circa 1910, Minneapolis was nationally notorious for its actively criminal government." The article presents a muted version of previous *EIR* exposés of the role played by Meyer Lanksy and his mob—including Lanksy henchman Kid Cann's control over such figures as former Gov. Floyd Olson.

The article glosses over the criminal role of the Hubert Humphrey machine, other than claiming that Humphrey was convinced to leave some aspects of Kid Cann's operations untouched.

## Weld bars more homeless from shelters in Mass.

Massachusetts Gov. William Weld, the conservative privateer embarked on a renewed assault against health and welfare programs, has also been slashing away against the homeless. The Oct. 24 *Boston Globe* reported that, during the past 16 months, Weld has imposed new regulations to deny shelter to families by declaring them

to be at fault for their own homelessness.

Eleven such regulations have been decreed, without legislative input or approval. Among families deemed "at fault" are those who vacate an apartment rather than face eviction by a constable, double up in housing with other families, or are forced to live separately from their children while they search for housing.

The number of families in Massachusetts shelters has fallen 48% during the past year, according to the *Globe*, from 1,264 to 715. Weld claims the decline is the result of an improving economy, but homeless advocates say families in need have been turned away under the new rules. Democratic members of the state legislature have indicated they may pass legislation to overturn Weld's regulations.

## Four Northeastern states reaching for loaded dice

Lying amidst their post-industrial ruins, state officials in Massachusetts, Rhode Island, New Hampshire, and New York are contemplating further expansion of legalized gambling, the cancerous "growth industry" touted as a solution to the destruction of their revenue base.

The latest siren call comes from the supposed financial success of Foxwoods Casino, a Connecticut gambling operation owned by the Mashantucket Pequot Indians. Rocky shoals may lie ahead, however. The *Christian Science Monitor* claimed Oct. 19 that the size of Connecticut's take in state revenue is due to the fact that Foxwoods Casino is the only legal gambling house in New England.

Undaunted where loot is concerned, Massachusetts Gov. William Weld has signed an agreement with the Wampanoag tribe to build a casino in New Bedford. In New York State, the collapse of the "tourist industry" in the Catskills has inspired officials to consider casino proposals on lands of the Oneida and Mohawk tribes. And in New Hampshire, the first state to impose a public lottery as a regular source of revenue, a bill was recently drafted to authorize 4,000 video-gambling machines at various tourist attractions, as well as at horse and dog tracks.

## Briefly

● **NEW JERSEY** Gov. Christine Todd Whitman, touted by Conservative Revolutionists for cutting taxes and slashing the budget at the same time, may have resorted to some fraudulent bookkeeping. Her "deficit reduction" measures include a \$1.3 billion accounting trick: reducing annual payments to fund pensions for current state workers when they retire.

● **AIRLINE SERVICE** has been eliminated for nearly 700 communities in the United States, since Congress approved deregulating the industry in 1978, according to the Department of Transportation. The cutbacks occurred despite legislative guarantees that service would be maintained to all points covered at the time. The department also reports that many more communities, which gained airline service following deregulation, subsequently lost it.

● **MORE THAN 2 MILLION** American children are currently being given the behavior-modifying drug Ritalin, the National Institute of Mental Health reports. Known as "the teacher's drug," Ritalin is widely prescribed in schools as a supposed remedy for "attention deficit disorder." Production of the drug has increased ninefold since 1985.

● **EDUCATION** Alternatives, Inc., the leading privateer in the business of looting public school systems, is on the rocks financially. The company's stock has sunk to \$7.50 per share, from a high of \$22 last year. American Federation of Teachers president Albert Shanker said on Oct. 27, "In the end, they didn't have an education program. They were pigs."

● **THE 'REAR END'** of the British oligarchy (the Hunt Country set around Virginia's Loudoun County) has just been exposed in a special eight-page pre-election edition of *EIR News for Loudoun County*. The Oct. 30 issue shows how the witch-hunt against the LaRouche movement has been directed by the area's would-be feudal lords, nearly stupefied by their own corruption.