DNC honchos jeopardize Clinton's reelection
'Shareholder' doctrine kills jobs in Europe
House of Lords defends Colombia's Samper

The ADL is a racist,
right-wing hate group
FEATURED in the Spring 1996 issue:

**How Hobbes’ Mathematics Misshaped Modern History**
by Lyndon H. LaRouche, Jr.

“There is no area of prevailing opinion in the fine arts, the so-called ‘social sciences,’ in political-economy, in the teaching of theology, in doctrines of historiography, within the departments of philosophy, and so on, which is not premised upon the same, false, axiomatic assumptions which are derived from the mathematical-physics presumptions of the mathematicians Sarpi, Galileo, Hobbes, et al.”

*Thomas Hobbes: Fascist Exponent of Enlightenment Science*, by Brian Lantz

*The Mandeville Model*, by H. Graham Lowry

*Christian Economics—Or the ‘Structures of Sin’?* by William F. Wertz, Jr.

---

Sign me up for FIDELIO $20 for 4 issues

NAME __________________________________________________________________________

ADDRESS _______________________________________________________________________

CITY ___________________________ STATE ______ ZIP ______________

TEL (day) __________________________ (eve) __________________________

Make checks or money orders payable to:

**Schiller, Institute, Inc.**

Dept. E  P.O. Box 20244  Washington, D.C. 20041-0244
From the Associate Editor

I would like to address this letter primarily to our newer subscribers, who have signed up in the course of the effort to exonerate Lyndon LaRouche. You have, by now, gotten an inkling of the injustice that has been perpetrated in this case; but if you are unsure about exactly who or what was behind this injustice, our Feature will be a real eye-opener.

The LaRouche movement has been battling the Anti-Defamation League since the early 1970s, and in this week’s dossier, we present an intelligence picture that has been two decades in the making. We document the following startling conclusions:

- The ADL, and B’nai B’rith before it, have long been a tool of British intelligence operations against the United States, including in the assassination of Abraham Lincoln. A close collaborator of the B’nai B’rith, Confederate general and freemason Albert Pike, was a founder of the Ku Klux Klan following the Civil War.
- The ADL is characterized by a racist, “blood and soil” ideology, which has nothing in common with the Judaism of its bitter factional opponents, such as Nahum Goldmann or Yitzhak Rabin.
- It has worked hand in hand with the FBI against African Americans and the civil rights movement.
- Since World War II, it has worked with British intelligence’s Tavistock Institute to foster a “victim” mentality among Jews—the Holocaust fixation—which would render them vulnerable to the ADL’s brainwashing and political manipulation.
- The ADL has funded and fueled the right-wing Israeli extremist groups that are sabotaging the Mideast peace process, and that were behind the assassination of Prime Minister Rabin.

When Democratic National Committee Chairman Don Fowler circulates a letter to Democratic Party offices, branding LaRouche an “anti-Semite” and instructing party officials to “disregard” his vote in the Presidential primaries, you see the pawprints of the ADL. This is the grouping within the DNC that “threw” the 1994 elections to the Gingrich Republicans, and is now out to sabotage both President Clinton’s reelection, and the possibility of ejecting a Democratic Congress that would implement the program for economic recovery that LaRouche is putting forward.

Susan Welsh
Interviews

51 Munir Bashir
The world's greatest living player of the oud—the stringed instrument which is a precursor to the lute—was interviewed at his home in Baghdad, Iraq. In 1993, he was awarded the Cultural Communication between North and South Award.

Departments

12 Report from Bonn
Selling labor for a risky dividend.

13 Dateline Mexico
Zedillo finally admits food shortage.

72 Editorial
Five emergency measures.

Economics

4 ‘Shareholder value’ doctrine is killing European jobs
Daimler-Benz announced the company’s worst annual results ever, and the stock market reacted with euphoria. Why?

6 Currency Rates

7 Cardoso risks all to keep ‘stability’ myth afloat
Documentation: The Swiss UBP bank launches a desperate attack against EIR.

9 Argentina: Convertibility plan is virtual reality

14 Business Briefs

Feature

• Israeli police arrest Jewish settlers on Jan. 16, 1996, at the Kiryat Arba settlement: part of the swamp whose “murderous sources” in Israel and overseas, such as the ADL and JDL, were denounced by Yitzhak Rabin.

16 The ADL is a right-wing, racist hate-group
The martyrdom of Israel’s Rabin stripped away the facade from certain neo-conservative, U.S.-based organizations, which had claimed to be the official political conscience of world Jewry.

20 The ADL’s showdown with Yitzhak Rabin

23 ‘Commentary’ magazine: shock troops for world government

26 The ADL-FBI racist conspiracy against America

28 Racist ADL hits African Americans

32 ADL caught in spy scandal of the decade

34 Peddlers of hate against LaRouche

38 How Tavistock helped the ADL make the Jews ‘victims’

41 Chronology: The ADL faction in American history

International

44 British dirty hand behind Israel-Hezbollah conflict
The deadly flaw in U.S. policy is seeking to deal with Syria as an “honest broker.”
Documentation: LaRouche on Israel’s bombing of Lebanon.

47 British nobility leaps to defense of Colombia’s narco-President Samper

49 Primakov comes calling, offers new vistas in Indo-Russian relations

54 PKK violence makes Germany a theater for surrogate warfare
The violent operations of the London-backed Kurdish Workers Party (PKK) are properly viewed as classical irregular or low-intensity warfare.

57 Will the Anti-Defamation League’s terror apparat finally be crushed?
EIR’s “Sharon Report” ten years later.

62 International Intelligence

National

64 DNC could lose Clinton reelection, LaRouche warns
Despite a media blackout that could have been run by Goebbels himself, the results his campaign has received in primaries to date suggest that Lyndon H. LaRouche, Jr. has a base of support of at least 10% within the Democratic Party.

65 Senator Kennedy introduces ‘Corporation A’ tax code

66 Rehnquist’s states’ rights are based on common law
The Supreme Court’s March 27 ruling, in Seminole Tribe of Florida v. Florida, involved whether the Seminole tribe could sue the state of Florida to enforce the 1988 Indian Gaming Regulatory Act.

68 Queen’s Privy Council sends Blair to U.S.A. to boost ‘GOP Democrats’
Tony Blair, a queer sort of “labor” leader.

70 National News
At the end of March, Jürgen Schrempp, chairman of Germany’s largest industrial group, Daimler Benz, announced the company’s worst annual results since the end of World War II, a book loss of DM 5.7 billion ($4 billion), and declared that for the first time, the company would pay no dividend. The reaction of stock market investors as well as major international credit rating agencies to Schrempp’s grim report was overwhelmingly positive. Daimler-Benz shares began to be bought heavily, sending share prices 25% higher than May 1995 when Schrempp took over the firm.

This, despite the drastic management steps Schrempp has taken since he became chairman 12 months ago. He began with brutal cost-cutting steps at the Deutsche Aerospace (DASA) division, shedding thousands of engineering jobs; he dismantled AEG, a hundred-year-old German electronics and defense subsidiary; then he informed the Dutch government that Daimler-Benz was closing its Dutch Fokker aircraft subsidiary. Over the next 12 months, Schrempp has announced that similar reviews of the remaining 28 subsidiaries will be completed, with many more jobs expected to be on the chopping block.

The shareholder doctrine for national suicide

Why did investors respond favorably? Their motive was the growing evidence, from Schrempp’s ruthless cost-reduction moves, that the foremost German manager had become a true-believer in a savage management doctrine which has been hegemonic since the late 1980s in Great Britain and the United States. The doctrine is known by the name “shareholder value.” It has caused hundreds of thousands of permanent job losses and plant closings in British and U.S. industry in recent years.

Daimler-Benz, like most industrial companies in Germany, France, and continental Europe generally, had long prided itself on a socially conscious management approach, where job security, and social concern to keep companies operating, were paramount. In the past, Daimler would funnel profits from its successful divisions, such as the Mercedes-Benz car and truck unit, to support loss-making units such as AEG or Fokker. Concern was long-term industrial capacity, stability, and R&D, not short-term profit. “That practice will no longer be tolerated,” a company spokesman told the German business daily Handelsblatt recently.

Schrempp, announcing the annual loss and future plans, told the press, “The severe measures in the past months have demonstrated that management has taken decisive steps in order to offer Daimler-Benz shareholders an attractive return.”

As the Germany’s foremost advocate of the “shareholder value” approach, Schrempp is rapidly being joined by top managers in Germany as well as France.

Ironically, “shareholder value” as a major management concern is sweeping continental European companies, at a time when it is under severe attack in the United States, as a short-sighted focus on one side of a company—maximum profit to stockholders—at the expense of long-term national and local and even company interest. The recent U.S. debate, shaped over years by U.S. Presidential pre-candidate Lyndon LaRouche, and now being taken up by Sens. Edward Kennedy (D-Mass.), Tom Daschle (D-S.D.), and Jeff Bingaman (D-N.M.), and, in a populist way, by loose-cannon Pat Buchanan, has shifted the national Presidential debate away from the budget-cutting austerity of the Gingrich Republicans.

How does “shareholder value” work in practice, and why would companies adopt such a drastic method? The practice evolved as a by-product of corporate and financial deregula-
tion and the “leveraged buy-out” binge spearheaded by Michael Milken and Ivan Boesky, and practiced by all major Wall Street firms by the end of the 1980s. One argument used by the first generation of asset-strippers, was that complacent, comfortable executives in many companies had settled into a niche of annual returns, sales, market share, and product development, and were not doing everything possible to give immediate results to the “owners” of the company, the shareholders.

But the change was to involve far more than Milken’s asset-strippers. Step by step, the business philosophy began to change, with the most dramatic move being the draconian announcement by General Motors in December 1991, that it would eliminate 74,000 jobs in order to give a better return to shareholders. GM stock rose sharply, and since then, American, and now, European companies, have rushed lemming-like to slash costs and maximize short-term returns to investors.

There are obvious ways to maximize short-term “value” to shareholders. Cost-reduction by writing off loss-making units like Fokker or AEG is one. Forcing a fraction of the workforce to meet the production of a far larger employee base, is another. Basing new plants in cheap-labor areas in Mexico or in Malaysia, is a third. But a company which invests an “undue” portion of its pre-tax profit into new plant and equipment at home, or expanded R&D, is often regarded by financial investors as ignoring today’s shareholder value in favor of tomorrow’s. The stock price of such a company falls.

Behind all this, is a radical transformation in the ownership of stock shares in the United States. Since the prolonged period of low Federal Reserve interest rates (1991-94), American families have fled traditional bank deposits into what are called mutual funds—large private pools of capital—to try to save for college or retirement. Today, total savings held by these U.S. mutual funds just passed the awesome level of $3 trillion, a sum equivalent in monetary terms to nearly 40% of all annual U.S. production and services. Only five of the thousands of such mutual funds control more than $1 trillion in assets, led by Fidelity Fund, Vanguard, and Merrill Lynch Fund.

These funds are rapidly replacing pension funds and insurance funds as the most rapidly expanding stock buyers. A record $55 billion of mutual fund money, put into stocks, helped to hold the Dow Jones Industrials at historic high levels in the past three months.

But if ever money was obsessed with short-term results, it is mutual funds. There are generally no requirements governing how long investors must hold such mutual funds, unlike other investments, which penalize premature withdrawals. Fund managers are rated ruthlessly by Wall Street and others, on their profit each three months. A rule of thumb is that a fund with poor profit for two quarters running, is in trouble. To maximize their wins, the fund managers, often the largest buyers of key stocks, ruthlessly demand that corporations do what is necessary to maximize shareholder value. This is now coming into Germany and the rest of conservative European business, as the same mutual funds increasingly “globalize” their investments, out of only U.S. securities, in order to maximize profits.

A European trend?

Schrempp is unfortunately not alone among leading European managers using this shareholder value as his guide, but he is perhaps the most extreme. He decided to dump Fokker only three years after he had been the key voice calling for Daimler to buy it. His argument was that each of Daimler’s units must deliver a minimum 12% return on shareholder value. This month, he announced that from now on, Daimler top executives would receive part compensation in company stock options, in order to give “performance incentive,” as the cuts continue. Daimler-Benz set the stage for the internal revolution two years ago, when it agreed to accept U.S. corporate accounting and asset-disclosure rules in order to win the first listing by a major German company on the New York Stock Exchange. This has been used internally to drive the shareholder “revolution.”

The management of other huge German firms are following the same strategy, including Veba AG, the chemical giant Hoechst, the huge electrical conglomerate RWE, the construction leader Philipp Holzmann AG. Funds, similar to U.S. mutual funds, except that they are run by the large German
banks, are leading the push to advance shareholder value methods in German industry, as German banks adopt the British approach.

The largest such fund is Deutsche Bank's subsidiary, DWS. Dresdner Bank and the other large German banks have such funds as well. The result is a split with the 100-year tradition of the German "Universal Banking" system, in which large industry and big banks were linked by permanent shareholdings, and in which the bank often would step in to rescue one of its large company clients from shocks such as the 1994 Metallgesellschaft financial derivatives crisis.

Increasingly, these same banks are now demanding savage cost-reduction from companies in which they hold large shares. "At this point, no publicly listed German company can afford to ignore shareholder value," said Hamburg company consultant Klaus Rainer. The huge oil and chemicals group Veba AG recently hired the Boston Consulting Group to advise on maximizing "value." The outcome was the short-term decision that investment in the future will go only to those units where cash-flow earnings are larger than capital costs. The rest would be cut off, closed, or sold. In its Huel's subsidiary, Veba cut 12,000 jobs as a result, and the Veba stock price began to rise on the Frankfurt Stock Exchange. Shareholder value was prime.

Ironically, the banks and insurance firms which have pushed shareholder value upon German industry, are among the companies on the stock exchange with the lowest "shareholder value" returns themselves, meaning that they will come under increasingly severe pressure, as well, to "take their own medicine," leading to a vicious downward cycle of layoffs in Germany. Leading German management consultant Roland Berger calculates that one result of this growing pressure will be a further permanent loss of 2 million jobs in Germany in the coming months.

In conservative French banking and business circles as well, the shareholder value revolution has begun taking its toll. French banks and industry have long had cross-ownership, similar to what exists in Germany. But last summer, when France's Banque Pallas-Stern was failing, its largest shareholder, the giant Elf Aquitaine SA, refused to help out, despite a plea from the Bank of France. Elf Chairman Philippe Jaffre is a firm advocate of shareholder value, and helped collapse the troubled bank by selling Elf shares. Jaffre told press, "I only had in view the interests of my shareholders. This bank is not my problem." The large Groupe Suez in Paris is also employing the shareholder value method, as are other large French companies, driven by fear of losing favor with the global financial funds that can buy or sell on a moment's notice.

To date, unions in Germany and France are too stunned and terrified by the record 11% unemployment levels to even challenge the shareholder value destruction of industry and jobs. It remains to be seen how the U.S. debate changes that in coming months.
Brazil's Cardoso risks all to keep 'stability' myth afloat

by Geraldo Lino

Although it was officially announced on Jan. 6, the purchase of the failed Banco Economico by the consortium made up of the Banco Excel and Union Bancaire Privée (UBP) of Geneva, Switzerland, was only finalized on April 17, through the direct intervention of Brazil's President Fernando Henrique Cardoso. The delays in finalizing the deal were due, in large part, to government fears, especially those of the central bank, of openly linking itself to banking institutions which are so blatantly involved in "irregular," that is, illegal, activities.

As EIR and other Brazilian journalists have documented, the UBP is under investigation in three countries for involvement in money-laundering, and Banco Excel, linked to the notorious Safra family, can hardly be considered clean. In fact, EIR's revelations on UBP's unsavory activities provoked its president, Edgar de Picciotto, to write letters to the major Brazilian media, accusing EIR of launching a "slanderous campaign" against his bank.

De Picciotto retailed the lies circulated by the Anti-Defamation League of B'naï B'rith (ADL), a right-wing, racist hate-group, claiming that EIR and its founder Lyndon LaRouche are "neo-Nazis" and "anti-Semites." A similar slander against LaRouche came from Atenção magazine, in its November 1995 issue. Most revealing is the fact that one of the magazine's sponsors is the Sirotsky family, also linked to circles close to the ADL. It is one of the important backers of President Cardoso's free-market reform program.

Cardoso chose to ignore the implications of the UBP-Excel deal, and rammed it through—by Presidential decree no less. Since foreign participation in Brazilian financial institutions is prohibited by the Constitution, except in specific cases of public interest, Cardoso issued a special decree which guarantees UBP's right to control up to 49% of Banco Economico's capital. Thus, Cardoso is personally taking responsibility for any future consequences of UBP's activities in the country.

Why is the Brazilian President taking such a risk? Certainly it wasn't just to protect this one deal, or the specific banks involved. The fact is that the inflow of funds from foreign banks is crucial to bailing out Brazil's entire banking system, which is just as bankrupt as those in the rest of Ibero-America. Contrary to statements of Brazilian financial authorities, the likelihood of a Mexican-style blowout in the country is real. So, with the central bank stalling on the deal, and the Congress threatening to set up a CPI, or parliamentary commission of inquiry, to investigate the entire financial system, Cardoso couldn't wait any longer. He opted to risk an enormous amount of political capital, to ensure that the myth of Brazilian "financial stability" be maintained, no matter what.

The finalization of the UBP-Excel deal had been delayed since April 4, when the central bank announced the conclusion of negotiations with the consortium. Virtually every day, the central bank's directors found some small "technical" detail, to justify not signing the agreement, and making clear that they had no intention of assuming sole responsibility for the operation. On April 16, the central bank president, Gustavo Loyola, announced he had sent the agreement to the National Monetary Council for approval. Aside from himself, the council includes Finance Minister Pedro Malan and Planning Minister José Serra. Serra would not sign the agreement, and finally, Malan approved it in the name of the council.

This nervousness is justified by the high political risk the Excel-UBP-Economico deal implies. It is largely linked to President Cardoso's promises to the international banking community to maintain Brazil's "financial stability." As a high-level officer of the Industry and Commerce Ministry admitted to Tribuna da Imprensa, reported April 16, "the government's priority is to attract investments to Brazil. Only secondarily, can development be considered."

To "clear the field," and prevent an eventual impasse on the Economico deal from "contaminating" the rest of the banking system, in which several banks are already close to bankruptcy, Cardoso used every possible means, including a scandalous handing out of favors, to prevent the CPI from materializing.

Documentation

EIR responds to UBP bank's desperate attack

The following is the press release issued on April 2 by EIR's bureau in Rio de Janiero, in response to a slander by UBP bank. The subhead has been added.
Edgar de Picciotto, one of the owners of the Union Bancaire Privéé (UBP) in Geneva, Switzerland, sent a letter to the Brazilian news media slandering the weekly magazine Executive Intelligence Review, because the latter had released the information that UBP is being investigated for money laundering by the authorities of various countries. De Picciotto claimed that the report was part of "a defamation campaign" undertaken by the German magazine Focus and Executive Intelligence Review. In his letter, De Picciotto, whose UBP, in partnership with Excel Banco of Brazil, is attempting to buy out the bankrupt Banco Economico, slandered Executive Intelligence Review as an "anti-Semitic, neo-Nazi, and extreme right-wing organization."

The editors of EIR want to make clear that no collection of slanders and invective can hide the fact that individuals linked to UBP are, in fact, under investigation by law enforcement authorities in at least three countries: the United States, Switzerland, and South Africa.

UBP is under investigation

- In the United States, there is an open case in the state of Florida against UBP executives Jean-Jacques Handali and Jeckiel E. Valero, who are charged with complicity in drug money-laundering operations.
- In Switzerland, at the request of U.S. authorities, the Swiss Federal Banking Commission has opened an investigation into UBP's activities.
- In South Africa, at the end of 1994, justice officials in Johannesburg discovered that a gang that was smuggling gold into Europe was laundering its ill-gotten proceeds through UBP and Banque Multi Commerciale.
- Any one of these questionable activities, by itself, is enough to disqualify UBP from engaging in a transaction that, if it goes through, would place one of Brazil's main financial institutions under the direct control of an insidious international apparatus, feeding a pattern of predatory economic activities whose results can be seen in the recent Mexican financial crisis.

As to the slanderous characterization of EIR as "anti-Semitic" and "neo-Nazi," it comes from two organizations whose malice toward our publication is notorious: the Anti-Defamation League of B'nai B'rith (ADL) and the Sao Paulo Forum. Both of these have been spreading slanders against EIR because of the latter's proven commitment to the defense of the sovereign nation-state as the institutional pillar for the organization and progress of people, and for its combative opposition to the uncontrolled speculation that has transformed the world's financial and monetary system into a veritable casino, to the detriment of the real economies of all countries.

The ADL is a racist, extreme right-wing organization, which, while pretending to defend Jews against anti-Semitism, in fact promotes racial hatred. It has a long history of criminal activities, as demonstrated in April 1993, when law enforcement officials in San Francisco raided the offices of the ADL and discovered documents proving that the ADL was engaging in espionage against civil rights and other organizations, and subverting government agencies.

The ADL is engaged in promoting the so-called counter-culture, and providing cover to individuals linked to organized crime, particularly to the international dirty money-laundering apparatus. For example, Kenneth Bialkin, honorary president of the ADL, is the lawyer of notorious drug money-launderer Robert Vesco, the fugitive from U.S. justice who lives in Cuba under the personal protection of Fidel Castro, as is documented in the book The Ugly Truth about the ADL, published by EIR.

The ADL is also tied to extremist groups opposed to the peace accords between Israel and its neighbors in the Middle East, groups whose actions paved the way for the assassination of the late Israeli Prime Minister Yitzhak Rabin. One of the main sponsors of these groups is Edmond Safra, who controls several banks whose involvement in money laundering has been proven. Among these, is National Republic Bank, which was the base of operations for Ezequiel Nasser, Safra's nephew, before he founded Excel Banco of Brazil.

In fact, UBP itself is the result of a merger between Edgar de Picciotto's Compagnie Banque et d'Investissements (CBI), and Safra's Trade Development Bank (TDB). Both Excel and UBP were established in 1990.

Lyndon LaRouche, the founder of EIR who is currently seeking the Democratic Party's Presidential nomination in the United States, has been a frequent target of the ADL's invectives. In Brazil, the ADL was the main source of the slanders against LaRouche and his movement that were published in Atenção magazine in 1995. It should be noted that LaRouche has been working toward peace between Israel and the Palestinians since at least 1975, when he presented a peace plan based on the development of joint infrastructure projects for the region. An updated version of the LaRouche plan was recently presented at international forums, where it was warmly received.

Regarding the São Paulo Forum, this curious creation of Fidel Castro groups narco-terrorist organizations from all of Ibero-America, who huddled together in the wake of the fall of the Soviet Union. Although seemingly opposed ideologically to the ADL, the São Paulo Forum shares several traits of the former, particularly its hatred of the institution of the sovereign nation-state.

It is not coincidental that one of the main detractors of LaRouche in Brazil is Jair Krischke, president of the so-called Movement for Justice and Human Rights of Rio Grande do Sul, where he maintains notorious links with both the ADL and the São Paulo Forum.

In light of the foregoing, Mr. Edgar de Picciotto ought to try to come up with a more creative and credible explanation to justify the questionable behavior of his bank and its interest in the Banco Economico of Brazil.
Argentina: Convertibility plan is ‘virtual reality’

by Gerardo Terán Canal

U.S. Secretary of State Warren Christopher caused quite a stir among Argentina’s political and social circles when he said during his late-February trip to the country that Finance Minister Domingo Cavallo “is a hero in the United States . . . because together with President [Carlos] Menem, he has promoted the economy and transformed this country . . . He has made Argentina one of the big economic successes, not only of this decade, but of the century.” The only thing left for Christopher to do was present Cavallo with the “Order of Wal-Mart,” referring to the U.S. discount store at whose local branch Christopher made his remarks.

With his effusive praise of Cavallo, whose performance was being harshly criticized domestically at the time, Christopher was attempting to confirm the international financial community’s support for the embattled finance minister. At the time of Christopher’s visit, dailies such as the prestigious Ambito Financiero blared out the news that industrial activity had fallen 9.3% in January 1996, and that the country was in the midst of a severe economic recession.

Both in Argentina and internationally, the media has prominently covered Cavallo’s alleged success in preventing Argentina from being hurt by the “Tequila effect” (i.e., flight capital leaving Ibero-America, as happened after Mexico’s 1994 devaluation crisis). A great deal of newsprint was wasted in playing up Argentina’s so-called monetary stability, which convinced “international investors,” and, initially, Argentines—businessmen as well as the population at large—that this was the policy that would prevent the country from ever returning to the economic and social disasters caused by the hyperinflationary explosions of the 1980s.

Today, tremendous efforts are being made to ram this model, which is based on the British colonial policy of a currency board, down the throats of the rest of Ibero-America’s nations, with the lie that they, too, can achieve the “stability” Argentina has. As we shall demonstrate below, that stability is an illusion, based on extraordinary looting of the country’s physical economy and human resources. One need only look at who the model’s most vociferous backers are, to understand the content of the policy: international speculator George Soros; the Mont Pelerin Society’s Steve Hanke, who boasts to whoever will listen, that he is the architect of Argentina’s “convertibility plan”; and Harvard University’s punk economist Jeffrey Sachs, who repeatedly laments that Argentina’s labor force hasn’t yet been smashed.

Control over currency issuance

It is useful to examine this convertibility plan in some detail. Implemented in April 1991, the plan was the means by which Argentina relinquished sovereign control over currency issuance. In its place, it established a one-to-one parity between the dollar and the peso, a version of a currency board. Under this system, the only source of currency in circulation, or credit, is foreign credit in dollars which, in large part, both for the public and private sector, is obtained through issuances of bonds which can be negotiated on the local and foreign stock markets. The International Monetary Fund (IMF) is the only source of loans used to cover the fiscal deficit, or defaults on foreign loans, while credit from other multilateral lenders (e.g., the World Bank) is used to finance the structural reform of the State, such as privatizations of public-sector companies.

The other sources of foreign monetary resources are the so-called international investors, who, after buying up entire chunks of Argentina’s sizable productive apparatus and State-sector utilities for a song, are now devouring industries, mines, and the fertile lands of the pampas at bargain-basement prices. Exemplary is the role of drug-legalization advocate George Soros, who has not only spent millions of dollars to purchase Argentine real estate, but has publicly warned the Menem government that no change in policy will be tolerated by the international banking community. In a late-March press conference in Buenos Aires, Soros put out the word that if policy were changed, or Cavallo left office, he would pull all of his money out of Argentina.

Only ten nations in the world have functioning currency boards; Argentina is the only one that does not officially belong to the British Empire.

The bottom line is that sovereign control of credit is prohibited. The only possible source of internal credit then is “domestic savings,” which, through use of credit cards and credits in dollars, created a consumer boom during the first three years of the plan, and helped to create the illusion that an era of change and prosperity had finally arrived.

By prohibiting currency issuance, the convertibility plan has prevented the inflationary issuances of the 1980s, which covered large budget deficits. At the same time, however, it has eliminated all national credit for production. As one expert told EIR, this process has generated a “hyperinflationary process in reverse.” That is, despite supposed monetary stability, the capacity for internal consumption, which to date has been largely dedicated to purchase of imported consumer goods, has been exhausted; national production is collapsing, unemployment is increasing uncontrollably, and foreign debt is growing exponentially. Most of the foreign loans obtained by this government since 1991, have gone to payment of that debt.

Thus, the convertibility plan has generated a typical collapse function, of the type discussed by American economist Lyndon H. LaRouche, Jr., in which monetary and financial...
aggregates (including debt) grow exponentially, while the physical economy collapses.

**Foreign debt explodes**

Already in mid-1994, *EIR* had reported that the real foreign debt of Argentina (like that of other Ibero-American countries) was much greater than the official foreign debt (see Figure 1). Against the official figure of $71 billion in 1993, *EIR* calculated that the real foreign debt was $31 billion more, that is, $101 billion. By late 1994, the real foreign debt had grown to $111 billion, and by the end of 1995, it was more than $122 billion.

These figures are much higher than those accepted by the World Bank, the Menem government, and various “expert” agencies. What is the difference between these official figures and those arrived at by *EIR*?

- First, there is the foreign public and private debt acknowledged by the World Bank, which, in 1994, was approximately $60 billion for the public debt, and $17.4 for the private debt. To these figures, one must add another $12 billion in public bonds issued internally, but in dollars.

- One must also add the public bonds issued in pesos, which are in the hands of foreigners, and which, with the free convertibility between the peso and the dollar, constitute de facto foreign obligations. It is estimated that in 1993, this equalled some $2.4 billion.

- Finally, one must add the private internal debt in dollars, which, because of convertibility, has been acquired domestically by Argentines through dollar credit cards, dollar bank loans, and similar such means. The total of this category in 1993 was $19 billion. There are no available figures for 1994 and 1995, but we estimate that, minimally, it stands at the 1993 level.

Thus, we arrive at a figure for Argentina’s real foreign debt of $110.8 billion for 1994, and of $122.3 billion for 1995. In the five years that Argentina has suffered under its convertibility plan, this real foreign debt has grown approximately 50%, and is today growing at more than 11% per year.

During 1995, the government had to increase its debt by $12.274 billion, and use $10.2 billion of this only to pay off interest and principal due on the public debt. Of the $10.2 billion, $7.224 billion was obtained on the international markets, through new bond issues. In 1995, according to the Buenos Aires daily *Clarin*, Argentina “became Latin America’s largest bond issuer.” The other $5.5 billion was obtained through IMF and foreign commercial bank loans. This increase in debt occurred despite the fact that “during this period [1991-95], public companies were privatized to the tune of $27 billion, and the debt was reduced through the Brady Plan by $2.3 billion.”

Fears of an uncontrolled growth of the debt arise when one takes into account the fact that the Argentine government achieved a good “performance” in placing bonds on the international market, thanks to the “attractive” interest rates offered, some of the highest in the world. According to former Central Bank President José Luis Machinea, “to the extent that the existing debt matures and is replaced by new debt, service costs will rise considerably, by no less than 60%.” These maturities will come due in 1996. Between Brady Bonds and dollar-denominated public bonds, Argentina owed $55.458 billion on Dec. 31, 1995, and another $13 billion on private sector bonds—a bubble of nearly $68 billion for a country of only 33 million inhabitants.

**How will Argentina pay?**

Whether Argentina can pay its debt, is a real question. In 1995, after two years of a trade deficit, exports grew by 33%, reaching $21 billion and producing a surplus. But, according to the experts, a new deficit is expected in 1996. This means that the debt will continue to grow and the source of foreign exchange to service the debt will shrink.

As of April of this year, the IMF must approve the arrangement it struck with the Menem government for 1995. What the IMF would be approving would be budget expenditures of $50.8 billion, of which $10.8 billion is allocated for servicing the foreign public debt (more than 20%), and $40 billion for government operating costs, which have been reduced by nearly $3 billion over 1994 expenditures. The government promised the Fund it would raise $48 billion in taxes, at $4 billion a month, and that the $2.6 billion deficit would be
financed with various privatizations still to be carried out, such as the nuclear plants and the Yaciretá hydroelectric project, and with foreign capital.

But the Argentina which can fulfill this agreement with the IMF only exists in virtual reality. With just two months of tax collections in 1996, there is already a $1.1 billion deficit. This, despite the fact that at the end of 1995, the government facilitated a tax moratorium (allowing payment of back taxes without penalties, if they were paid promptly) to increase revenues. And now, the tax collection agency DGI is taking legal action against 1,000 important companies for not having complied with the terms of the moratorium.

The reality is that the Argentine economy is disappearing. The tax base is being crippled at the same rate that the productive economy is being crippled, and if the IMF wants to keep Argentina as its model for the so-called new world order, it will have to keep the country in intensive care, as it has been doing throughout the period of the convertibility plan, lending it yearly more and more money to maintain the image of apparent economic stability, while the international speculators loot the physical economy. Given this reality, one can expect that the real foreign debt will reach $135 billion in 1996. And the moment that this international financial flow is suspended—as sooner or later it will be—is the moment that Argentina will sink into depression.

So, the question comes down to how much oxygen the international financial system has left, and how much guts does Argentina have to resist the shock treatment it received during 1995 and which is expected to worsen in 1996.

**Industrial Argentina disappears**

According to figures from the National Institute of Census and Statistics (INDEC), Argentina’s Gross Domestic Product fell 3% in 1995, and industrial activity shrank by 5%. The newspaper Página 12 commented that “1995 was marked by a special retraction of internal demand because of the recession; this year, investment, production, and sales will adjust to the country’s capacity to grow.”

Automobile sales fell 35.5% and production by 30.2% in 1995. During the convertibility euphoria, Finance Minister Cavallo predicted that 800,000 cars would be produced in Argentina in 1995, a gross overestimate; in 1996, only 380,000 will be produced, 25% fewer than last year’s roughly half a million. According to the Foundation for Latin American Economic Research, overall industrial activity fell by 9.3% in January 1996. The automobile sector fell 47.5% in that same month, as compared to January 1995; the cement sector fell 26.4%, iron and steel 27.1%, tires 36.5%. All of these are sectors which produce largely for domestic consumption; the only sectors that continue to show growth are those dedicated to export.

Similarly, the Coordinator of Commercial Activity published an analysis last January which revealed that more than 25,000 businesses shut their doors nationwide in 1995.

The logical consequences of this horrifying economic picture were that in May 1995, according to INDEC, Argentina suffered a record unemployment rate of 18.6%, which by December was “reduced” to 16.4% by virtue of the fact that people became tired of looking for jobs that didn’t exist, and dropped off the unemployment lists. In a single year, unemployment of nearly 7% was generated. During the most difficult moments of the so-called era of hyperinflation, in the 1980s, the rate of unemployment ranged between 5% and 6%. Unemployed now number 1.98 million, and underemployed another 1.56 million. Only 46% of employees receive stable wages. That is, they pay taxes and the companies which employ them pay taxes for them. The other 54% do not even show up in the tax “pie,” nor receive a just wage.

A study by the Foundation for Economic Development Research, published in May 1995, reveals that in Greater Buenos Aires, where the largest urban concentration in the country is located (approximately 12 million inhabitants), nearly 30% of homes—2,227,391 individuals, 800,000 more than last year—receive wages of less than $440 a month, the value of the so-called “subsistence market basket.” Fifty-nine percent of homes (5.37 million people) do not make the 987 pesos, or dollars, which constitute the market basket of food plus other basic goods. This is in Buenos Aires, where unemployment is 17.6%, but the situation is still worse in the industrial and agricultural regions of the country where unemployment exceeds 20%.

---

**So, You Wish To Learn All About Economics?**

by Lyndon H. LaRouche, Jr.

A text on elementary mathematical economics, by the world’s leading economist. Find out why EIR was right, when everyone else was wrong.

Order from:

**Ben Franklin Booksellers, Inc.**

107 South King Street  Leesburg, VA 22075

$10 plus shipping ($1.50 for first book, $.50 for each additional book). Bulk rates available. Information on bulk rates and videotape available on request.
Selling labor for a risky dividend

The German Social Democrats are borrowing bad ideas from British Labour’s Tony Blair.

Considerable losses of votes in three state elections in Germany on March 24, have let inner-party tensions and policy differences break out into the open among the Social Democrats (SPD), the biggest opposition party in the German national parliament. This comes at a time when the SPD has no clear platform, and the paralysis which rules the party comes like a windfall for Chancellor Helmut Kohl and his Christian Democrat-led government. The temptation is great, therefore, for Kohl’s CDU party not to bother with economic problems, not to break with the present international financial system, which prevents the creation of new jobs. The CDU and Kohl feel quite smug about the “anti-SPD vote” and intend to keep their fiscal austerity policy course—as if this were what the voter wanted.

Statements from the CDA, the CDU labor organization, show, however, that the working population opposes Kohl’s policy. One of the big paradoxes of German politics is that the CDA, the Christian Democratic workers, are much tougher in their criticism of the government’s monetarism, than the SPD, the purported opposition.

For example, in an April 9 statement that has been circulated nationwide, the CDA openly denounced the budget-cutters in its “own” Christian-Liberal government, for planning to “undermine the Social Market Economy and impose the policy of Thatcherism” in Germany, at labor’s expense. In a radio interview two days later on the national DLR station, CDA chairman Rainer Eppelmann refuted the often-used lie that the managers do their job and do nothing wrong, whereas the workers and labor organizations are the alleged chief culprits for the economic problems and the high costs of labor in Germany. He said that in the most dramatic cases of recent huge corporate losses and mismanagement, Vulkan (ship-building) and Daimler-Benz (auto), the globalization-obsessed managers made the big mistakes.

As for the Social Democrats, no one, in the entire party establishment, comes close to the level of economic debate witnessed among prominent U.S. Democrats like Kennedy, Daschle, Gephardt, LaRouche, Bingaman, or De Lauro. Thus, not much could be expected from the surprise trip to the United States that SPD party chairman Oskar Lafontaine made before the Easter weekend. The monetarist side of Lafontaine’s talks in Washington, D.C. ruled the day: meetings with International Monetary Fund Managing Director Michel Camdessus, with Assistant Treasury Secretary Lawrence Summers, with Federal Reserve Chairman Alan Greenspan.

Lafontaine created the political paradox that while prominent Democrats keep attacking the hoax of the “job creation wonder” of the Bush-Reagan era, he was “interested to hear” from his U.S. discussion partners “why over the past several years the United States was able to create 8 million new jobs, in spite of its successful effort to balance the budget.” This is what Lafontaine told journalists at a Washington press conference April 4.

“We are currently debating in Europe,” he said, “the proposals made by the Volcker Committee” and the “U.S. experience, [which] has taught us that it is possible, through a judicious monetary policy, to stimulate growth and create jobs.” Had Lafontaine met representatives of the AFL/CIO during his trip, he would have heard a different tale about the “judiciousness” of monetary and management policies in the States.

Some insiders here tend to see Lafontaine’s U.S. visit in close link with the almost parallel visit by British Labour Party chairman Tony Blair, who assured several hundred businessmen, bankers, and political leaders in New York that his “New Labour” policy no longer opposes the “free market,” which Labour Party members used to identify with job-killing Thatcherism.

Among Europe’s Social Democrats, Blair is viewed as the new shooting star of the “socialism of the 21st century,” and today’s continental Socialists are borrowing ideas from Britain. This became apparent after Lafontaine’s return from the United States: after “programmatic” SPD executive meetings in Bonn April 12, he told the media that the party leaders had discussed Social Democratic “alternatives” to Chancellor Kohl’s pro-downsizing economic policy. Lafontaine proposed to turn workers into shareholders of their companies. If globalization and outsourcing could not be stopped, the workers would “at least have some benefit” of the dividends earned on their shares.

The fewer workers are employed by a company, the greater the dividend its managers promise the shareholders. This means that the downsizing spiral will be sped up by the shareholder model. Needless to add, this turbulent economic crisis period is not a time of guaranteed dividends.

A centerpiece of the “New Labour” policy of Tony Blair, who wants to be Britain’s new prime minister, is this “stakeholder society” where labor is sold for an uncertain dividend.
Dateline Mexico  by Rubén Cota Meza and José Carlos Méndez

Zedillo finally admits food shortage

Farmers are caught between the natural drought, and the drying up of credit because of the policies of the IMF.

What worries us is that there could be a serious shortage of basic grains in our country,” stated Mexican President Ernesto Zedillo on April 10. Not only that, but Mexico is going to have trouble importing the grain that it can no longer produce: “Recently, a worldwide scarcity of basic grains has developed,” he confessed, and the price of these grains is rising continually.

The words of the President are a recognition, albeit very belated, of what this magazine has been warning about for years: that the physical economy of Mexico is at an advanced stage of decomposition, as the result of the nearly 15 years of free market policies.

The fall in Mexico’s agricultural production has been drastic. From 1990 to 1995 alone, grain production dropped by 8% (from 25.8 million tons to 23.8 million); in 1996, it could fall below 20 million tons. The area under cultivation continues to shrink, as farmers are caught between two calamities: a natural drought, and the drying up of credit imposed by the debt-collection policies of the International Monetary Fund (IMF). As the President was told by Secretary of Agriculture and Livestock Francisco Labastida Ochoa, 600,000 hectares will be left unplanted during the upcoming spring-summer cycle, because of the drought, leading to a projected 3 million ton drop in basic grains produced. It is now estimated that Mexico will be forced to import at least 9 million tons of grain.

As for livestock production, the drop is also immense, and not because of “Mad Cow” disease. On April 7, the secretary general of the National Confederation of Cattle Producers (CNG), Juan de Dios Barba, called on the government to declare six states hit hardest by the drought—Chihuahua, Durango, Coahuila, Tamaulipas, Sinaloa, and Nuevo León—to be declared disaster areas. Because of the drought, 4,000 head of cattle had died the week before in just the state of Tamaulipas, he reported. In the state of Chihuahua, in one year, the cattle herd has been reduced by 1 million head, because of death from the drought and forced exports. Whereas in 1994, Chihuahua had 1,989,200 head of cattle, by 1995, there were only 919,643. Barba pointed to Mexico’s failure to develop irrigation infrastructure, as the reason Mexican farmers were faring so much worse than their U.S. counterparts, even though the drought extends into the southwestern United States.

The agricultural crisis has become a political crisis. Agriculture Minister Labastida paid a visit on the night of April 8, to the Presidential residence, to deliver the following message to the President: “The federal government considers the development of the countryside to be the indispensable condition for the recovery of the general development of the country. Pure market forces do not rule here. Toward the countryside, there is alliance—with program, consensus on objectives, participation in the planning of strategies, and there is government to implement the decisions.”

The economic technocrats in Zedillo’s cabinet were reported to be livid at Labastida’s assertion. According to El Financiero reporter Luis Soto, what worries them, is that there is a larger group within Zedillo’s cabinet that is trying to convince the President to change economic strategy overall.

The day after Labastida’s intervention, the President found himself obliged to admit the seriousness of the crisis. But the “solution” which he proposed cannot resolve the crisis, because it starts out from the premise of accepting that Mexico’s financial obligations to the international banks are untouchable.

Concretely, Zedillo promised an advance in resources for purchasing seeds and fertilizers, with backing from the “future resources” of Procampo, a government agriculture program, as a guarantee in contracting new credits for producers, and the contracting of 10,000 agricultural technicians to improve per-hectare yields.

But, the President underlined, this plan will be carried out only “to the extent that the financial space is created” to allow it, i.e., if the International Monetary Fund give its nod to the plan. And so that no doubt would remain as to what comes first, Zedillo ordered that these supports for the rural sector “be worked out with the Secretary of Finance and Public Credit . . . within the necessary economic discipline.”

What is this discipline? According to what was just announced, during the rest of this year Mexico will have to pay $28.7 billion on its foreign debt—public and private. Most of these payments represent the external debts of the banks, and as long as the government continues to give priority to propping up the bankrupt banking system, the only “space” it will create, is that of the graves for a greater and greater number of corpses.
Business Briefs

Labor

Thailand rejects minimum wage for foreign workers

Thai government financial officials, most of whom spent a week in London in January being trained for their role in a reoriented British Empire, rejected proposals from the Thai Labor and Social Welfare Ministry, to establish a minimum wage to protect foreign workers, estimated at well over 1 million, mostly from Burma, Cambodia, Laos, and India, who are working in Thailand.

Prime Minister Banhan Silpa-acha said he preferred to let employers and the market set such wages without State intervention, the Bangkok daily the Nation reported on March 20. Critics point out that besides the horrendous conditions of most of these workers, the fact that they are paid 30-50% of the wage paid to Thai workers can only harm Thai workers in the long run. The article only refers to the legitimate workers, not to the unknown thousands of foreign slaves working the infamous Thai sex “industry.”

Transcaucasus

Georgia, Turkey expand cooperation

On April 8, Georgian President Eduard Shevardnadze revealed the results of his visit to Turkey and talks with Turkish President Suleyman Demirel the week before, according to wire service reports. The agreements included a Turkish offer to spend $250 million on overhauling Georgian pipelines for the transport of Caspian Sea oil to international markets via Georgia and Turkey; a $100 million Turkish loan to Georgia for building other transport and communications facilities, including a gas pipeline to Turkey; Turkish assistance in overhauling existing hydropower stations in Georgia and building new ones; an agreement for Georgian electricity deliveries to Turkey during the summer in return for Turkish deliveries during the winter; and simplifying customs and border-crossing procedures.

The agreements are a new development in the Transcaucuses, which has become a renewed target of the British Empire’s “Great Game” (see EIR, April 12, p. 4). The delegations also discussed building a modern railway link between Turkey and Georgia, and the possible creation of a single energy system by Georgia, Azerbaijan, and Turkey. Shevardnadze stressed that Georgia’s rapidly developing relations with Turkey do not contradict good relations with Russia. All countries are interested in a peaceful Caucasus, he said.

Petroleum

Gazprom head to set up deals with Enron Corp.

Rem Vyakhirev, the head of Gazprom, the largest oil and gas concern in Russia, in which Prime Minister Viktor Chernomyrdin is suspected to have a large (if silent) interest, was in America for a ten-day trip at the end of March, Komsomolskaya Pravda reported on March 27. Businessmen from all over the United States flew to Dallas, Texas, to meet with Vyakhirev. “Texas state Gov. George Bush, Jr., noted this interest and promised his personal support in widening ties between the big players in the U.S. oil and gas industry and the Russian company,” the paper said.

One of the deals discussed was proposed by Enron Corp., for joint work with Gazprom in Uzbekistan. Also, the Howard Energy International Co. is said to be interested in a minimum of five joint projects in Turkey, involving the development of gas networks and the construction of power stations.

The Gazprom delegation also visited Bell Helicopter Co.’s assembly shops in Texas. The paper reported that a decision has been made to purchase 25 Long Ranger 2064 Helicopters, which are adapted for working in the conditions of the far north, and have proved themselves in Alaska. “The second stage of cooperation will entail the production of these helicopters within Russia itself,” the paper said.

Vyakhirev and his group then went to New York, where “[David] Rockefeller received the Gazprom party. . . . The delegation visited the stock exchange and called on [Henry] Kissinger, who afterward held a dinner in their honor at the River Club. Gazprom has visited the headquarters of such major U.S. banks as Citibank, the Bank of New York, Chase Manhattan Bank, and others.”

Nuclear Energy

Algeria seeks option for desalination

The Algerian government has signed a memorandum of understanding with the International Atomic Energy Agency (IAEA) in which Algeria will “develop peaceful applications of nuclear energy to encounter the expected shortage of drinking water,” a source in the Energy Ministry told Al Hayat on April 9.

In recent years, Algeria, Tunisia, Egypt, and Libya have applied to the IAEA for help for a study on the use of nuclear energy for desalination. Official studies indicate that the nations in the Maghreb region suffer a shortfall of drinking water of 3 million cubic meters per day.

Official studies also estimate that $30 billion will be needed for investment to meet the shortage of water in 15 different areas in the country in the year 2000. Algerian officials expressed to IAEA General Director Hans Blix, who was there to sign the memorandum, their willingness to cooperate to expand the applications of nuclear energy in health, irrigation, and agricultural fields. Algeria currently has two research nuclear reactors, Nour and Salam, which are under the control of the IAEA.

Health

Ukraine faces intestinal disease outbreaks

Anhelina Moysieyeva, chief of the Health Ministry sanitary epidemiological department, told Intelnews on April 8 that Ukraine faces a major outbreak of infectious intestinal disease this spring, as a result of the unsanitary condition of its water supply. “Every seventh or eighth water sample does not
meet microbiological characteristics requirements, both in the cities and the countryside," she said. Some 60% of the water in the Ternopil district’s artesian and other wells, and 30% of wells in the Kiev region, fail to meet minimum sanitary standards.

Part of the reason for the crisis stems from disagreement over whether local or state authorities are responsible for the safety of the water supply, a disagreement which arises mostly because there is no money for water purification and related sanitary programs, thanks to International Monetary Fund conditionalities.

Moiseyeva also said that there could be a repeat of the cholera epidemics of 1994 and 1995, particularly in the Mykolayiv district, due to the poor quality of drinking water. Cholera epidemics started in July of those years, during which time half of Europe’s cholera cases occurred in Ukraine. "The water coming to Zhovtneve Reservoir feeding the city of Mykolayiv is safe now," she said. "But the state of water supply and sewerage systems is such that anything may get in there."

Economic Theory

Allais attacks globalist cult of free trade

French Nobel Prize-winning economist Maurice Allais attacked free trade, in the April 9 daily Le Figaro. Allais warned that adoption of a single currency, whereby France would “renounce its right to issue currency,” would be a “major political error of incalculable consequences.” He called for a referendum on the single currency, and denounced what he called the “perversion of liberalism”: competitive devaluations, decentralizations, uncontrolled immigration, and, generally, globalization, i.e., the search for lowest wage areas.

“The globalization of the economy is certainly very profitable to some groups of privileged. But the interests of those groups cannot be projected to those of humanity as a whole. A precipitous and anarchistic globalization cannot but engender unemployment, injustice, disorder, and instability everywhere, and can only reveal itself as being disadvantageous to all people in general. It is neither inevitable, nor necessary, nor desirable,” he said.

Allais described the negative effects this has had on the German and U.S. economies. Even the Davos gurus are getting worried about the effects of their policies, wrote Allais. "During the recent Davos Forum, the great gurus of the free trade globalist cult had to face up to bigger and bigger worries."

Economic Policy

Time to challenge free trade, says Pfaff

“It’s time to challenge the orthodoxy of trade liberalization,” columnist William Pfaff wrote in the April 9 International Herald Tribune. “To assume that the invisible hand of the marketplace will bring eventual benefit for all, is faith, not science. It is an assumption intellectually on a level with that which said that giving ‘all power to the Soviets’ would essentially create a higher form of humanity. We are actually generating much human unhappiness, and social and political instability, without proof that the future benefits we expect, will outweigh the harm.”

In sum, what is required, is to “end the com­ placent economic orthodoxy of the last decade and a half.”

Pfaff insisted that it is absurd to claim that “globalization” and its correlates have meant more prosperity. In fact, it was when growth rates were higher, up to the mid-1970s, that there was a greater commitment to the notions of “corporate citizenship” and “stakeholder capitalism.”

Pfaff proposes “regional trade blocs,” in which there would be “controls to limit predatory practices and socially destructive forms of trade,” and “currency stabilization,” to “contain the destructive effects of speculation.” “Public action is necessary, to redefine the social obligations of business, and reward socially responsible conduct.”

The world requires a “social charter,” to “mutually acknowledged obligations to the workforce and citizenry.” International trade must be subject to social and labor standards, just as it is currently subject to “environmental standards.”

Briefly

INDONESIAN President Suharto warned against the disintegration of the country because of economic liberalization, in a speech to senior military officers on March 29. “We must be aware that there are limits to decentralization, deregulation, and de­ bureaucratization, and to openness,” he said.

A NEW TEST for bovine spongiform encephalopathy has been developed at the National Animal Disease Center in Iowa. And, Dr. Michael Harrington of the California Institute of Technology told Reuters that he will soon publish on a test that he has developed. The tests can quickly identify whether a live animal is infected, which would obviate the need to eliminate entire herds, but only the animals that are infected.

JARDINE MATHESON, “the British trading house that started out shipping Indian opium into Canton 160 years ago,” will pay $48 million for a 20% stake in Tata Industries, India’s biggest conglomerate, the Australian Financial Review reported April 9. A Tata official said, “We see a tremendous advantage for them, as far as India is concerned.”

RUSSIA’S railroads could collapse because of the International Monetary Fund’s $10 billion credit, which dictates that railroads are to be privatized and put on a commercial basis, Minister of Railways Gennadiy Fadeyev warned in Moscow on March 29, Nezavisimaya Gazeta reported.

CHINA’S Prime Minister Li Peng arrived in Paris on April 9, the first visit by a Chinese leader since 1984, with deals worth $2 billion. The deals include purchase of at least 30 Airbus planes, 28 electric rail locomotives from Alstom, and grain; a joint venture; and investments. China will also discuss purchase of high-speed TGV rail systems.

FINANCIAL markets, which are highly volatile, are similar to those of 1987 just before the crash, the French daily Le Figaro warned April 10.
The martyrdom of Israel’s Prime Minister Yitzhak Rabin has stripped away the facade from certain neo-conservative, U.S.-based organizations, which had formerly been all-too-successful in asserting their false claims to be the official political conscience of world Jewry. The role of these groups and their European branches in such recent outrages as the defamation of Austria’s Simon Wiesenthal and Germany’s distinguished Michael Wolffsohn, like the shameful earlier relationship of whiskey baron Edgar Bronfman to the former East German dictatorship, is, more and more, being examined in the context of the terrorism, deployed from offices in London, which is daily menacing both the Israelis and Palestinians.

Chief among these neo-conservative agencies, which, since the assassination of Rabin, have been divided from the Israeli government by a river of blood, is the Anti-Defamation League of B’nai B’rith (ADL). No longer can the ADL use the word “Holocaust” as a shield, to conceal the evidence, in the statements and writings of its own officials, that the ADL is a right-wing, racist hate-group.

We would like to believe that there are supporters of the ADL who abhor the shamelessly racist doctrine of the ADL’s Leonard Dinnerstein against all elected African-American officials. We would like to believe that there are ADL supporters who abhor the neo-conservatives’ policies, which target categories of the U.S. population for what those political figures knew or should have known would result in large increases in the rates of wrongful death and related suffering among those sections of the population—policies for which Nazis were tried and condemned at Nuremberg for crimes against humanity. We would like to believe that many among those who accept the ADL’s voluminous lies are poor, misguided dupes. Whatever among its dupes and supporters might be otherwise, the ADL, as an entity, is a right-wing, racist hate-group which ought to be abhorred by Jews, as by all honest men and women.

Two historic elections are scheduled for this year, in which the ADL and its neo-conservative allies hope to play a substantial, disruptive role. On May 29,
Israeli voters will go to the polls in what amounts to a popular referendum on the Middle East peace process, for which Yitzhak Rabin gave his life, and to which Israeli Prime Minister Shimon Peres has devoted most of his adult life. Already, a series of terrorist bombings, carried out by puppets of London’s “Arab Bureau,” has jeopardized Peres’s reelection, and has once again thrust the ADL’s leading asset in Israeli political life, Gen. Ariel Sharon, into the limelight. This, despite the fact that Sharon has been the leading public patron in Israel of the Jewish underground apparatus that assassinated Prime Minister Rabin. A Likud victory on May 29 would almost certainly assure Sharon the post of defense minister; this would, in turn, ensure that the Mideast peace process is finished for a long time to come, drowned in a sea of Muslim, Christian, and Jewish blood.

When he was first elected prime minister of Israel in June 1992, Rabin had the courage of conviction to reverse his former opposition to making peace with his Arab neighbors, and, particularly, with Palestine Liberation Organization leader Yasser Arafat. Once he was convinced that pursuing peace with his former adversaries was the only viable path for Israel, Rabin became a powerful champion of peace. The partnership that developed between Rabin and his longtime Labor Party rival, Shimon Peres, was a truly profound alliance, one that served the interests of people of good will in the Middle East and throughout the world.

At the same time, Rabin, lawfully, found himself on the opposite sides of the barricades from his former supporters in the ADL, and from leading American and British neoconservatives. In the final months of his life, Rabin broke with the ADL crowd in a very public way, censuring Edgar Bronfman’s chief operator in Asia, the Australia-based Isi Leibler, and taking on the American Jewish establishment for retaining its commitments to the hateful policies and personalities of the former Likud government.

Norman Podhoretz, the longtime editor of Commentary magazine, responded to Rabin’s embrace of the peace process by publishing a declaration of war on the Israeli government. From the moment that the Oslo I Accords were signed at a White House ceremony in September 1993, this ADL-centered crowd has been on a non-stop mobilization to wreck the peace process, through propaganda as well as bullets, all the while shamelessly concealing their perfidy with false claims of “support” for the abstract idea of Middle East peace.

In September 1995, in an interview with New York Magazine writer Robert Friedman, Rabbi Avraham Hecht, the Lubavitcher spiritual adviser to Edmond Safra, a leading member of the ADL’s “Millionaires Club,” issued a death order against Prime Minister Rabin, which was carried out within weeks by a member of a Jewish underground sect, Ayal. Although Rabbi Hecht was widely censured for his behavior, Safra, an accused drug-money launderer, remained above the fray and, hypocritically, took a place of honor, along with the ADL and the World Jewish Congress’s Edgar Bronfman, at the funeral for the slain prime minister in Israel, and at a subsequent memorial service at New York City’s Madison
Just as the ADL has served as an important thug capability for those London-centered interests out to wreck the prospect of peace in the Middle East, so, too, is the ADL now functioning as a gang of hooligans, on behalf of those same forces’ efforts to stop President Clinton’s reelection, and the broader efforts of the LaRouche-Kennedy-Daschle-Gephardt forces inside the Democratic Party to rebuild the party and gain control of Congress in a landslide in the 1996 elections.

Those inside the Democratic National Committee, and even in the President’s reelection team, who wish to throw the 1996 elections in the same way that they threw the 1994 Congressional elections to the “conservative revolution” forces in the GOP, are drawing upon the dirty tricks capabilities of the ADL. In this effort, these “Republicans in Democratic clothing” have jumped in bed with some of the biggest right-wing racists in America—the leadership of the ADL.

Up until the publication of this Feature, it has been a fairly well-kept secret that the Anti-Defamation League of B’nai B’rith is a right-wing, racist hate-group.

This reality came to the surface in the beginning of 1993. The editors of EIR published The Ugly Truth about the ADL, a paperback which sold several hundred thousand copies, and detailed the British, racist roots of the ADL. Simultaneously, San Francisco Police Department and District Attorney investigators uncovered “hit lists,” which included names of leading labor, civil rights, and religious organizations and leaders, in the West Coast offices of the ADL, along with extensive evidence of ADL collusion with such hate-groups as the Ku Klux Klan, the White Aryan Resistance, and sundry Ameri-
can Nazi gangs. Heavy-handed political pressure from neo-conservative circles and other establishment “family” quarters averted felony prosecutions against senior ADL officials, and the scandal was largely concealed from the public.

A year before the San Francisco scandal broke, the ADL had sponsored a behind-closed-doors session in Montreal, featuring a keynote address by historian and ADL spokesman Leonard Dinnerstein. In his speech, and in a book published subsequently on “anti-Semitism in America,” Dinnerstein accused all educated African-Americans of being anti-Semitic. Dinnerstein’s revival of Hitlerian eugenics coincided with ADL collusion with corrupt elements in the FBI and the Bush administration Department of Justice in “Operation Frühmenschen” (primitive man), which targetted thousands of African-American elected officials for frameups and jailings, and in the “Get LaRouche” task force, which railroaded Lyndon LaRouche and several of his associates to prison, and unlawfully bankrupted a number of LaRouche-associated publications and a tax-exempt scientific foundation. Here, too, the ADL functioned as a “hit squad” for George Bush and Henry Kissinger, as you will learn in this Feature.

This ADL-FBI-DOJ collusion was nothing new. As we document below, the ADL was the leading asset of the FBI’s J. Edgar Hoover in the 1960s Cointelpro effort against the civil rights movement, culminating in the assassination of Dr. Martin Luther King, Jr. As an integral part of the FBI-ADL Cointelpro collusion, leading ADL officials joined with Israeli Likud and Mossad operators, such as Yitzhak Shamir, in creating Rabbi Meir Kahane’s Jewish Defense League terrorist countergang, which produced Hebron mass-murderer Baruch Goldstein.

In the early 1970s, this ADL-FBI combination also teamed up with the KGB-linked national leadership of the Communist Party U.S.A. in an assassination plot against Lyndon LaRouche. Following Hoover’s death and the exposure of Cointelpro in the mid-1970s, the Bureau’s dirty tricks program was farmed out to “private” agencies, led by the ADL. This privatization of the FBI’s Cointelpro operations was codified in 1981, via Executive Order 12333.

At the same time, this ADL-FBI-DOJ corrupt collusion operated internationally, via the Justice Department’s self-described “Nazi-hunting” Office of Special Investigations (OSI), which was launched in the 1970s under the sponsorship of Henry Kissinger and then-Rep. Elizabeth Holtzman (D-N.Y.). The OSI housed a joint DOJ-ADL-KGB-Mossad “hit squad,” which used its judicial cover to politically eliminate leading City of London targets such as Austria’s President Kurt Waldheim, German-American rocket scientist Dr. Arthur Rudolph, and even such prominent Nazi-hunters as Simon Wiesenthal.

In the case of John Demjanjuk, a retired Ukrainian-American auto worker who was falsely accused of being the Nazi war criminal “Ivan the Terrible” at the concentration camp at Treblinka, it took the intervention of the Israeli Supreme Court and the U.S. Sixth Circuit Court of Appeals to avert a “legal” execution. Evidence of the depth of ADL-linked corruption inside the U.S. Department of Justice is the fact that, to this day, Attorney General Janet Reno still defends the department’s attempted murder of Demjanjuk, a man whom the DOJ knew and knows to be innocent.

In the following pages, you will learn a great deal about the ADL that flies in the face of generally accepted “public opinion.” Yet, the documentation is overwhelming, and the stakes for both President Clinton and Prime Minister Peres are high. If the ADL and its masters have their way, the British-ordered assault on the Clinton Presidency will succeed, and London’s commitment to stop the Middle East peace process at all costs, will lead to a decade of bloodshed and misery in a region of the world that has already suffered for too long.

---

Jeffrey Steinberg

---
The ADL’s showdown with Yitzhak Rabin

by Joseph Brewda

Ever since the August 1993 announcement that Israel and the Palestine Liberation Organization had struck a deal in secret negotiations in Norway, the Anti-Defamation League has been on a full mobilization to block the accord. That mobilization helped prepare the climate for the November 1995 assassination of Israeli Prime Minister Yitzhak Rabin, and is currently threatening to destroy the Mideast peace process altogether. The ADL’s stooge, Gen. Ariel Sharon, may come to power as a result.

The ADL’s power derives from the fact that it is the dirty tricks arm of the B’nai B’rith, a nominally Jewish, masonic organization established by British Prime Minister Lord Palmerston in the 1840s. The B’nai B’rith and the ADL are still run out of Britain today—as are most Israeli and Arab terrorist organizations. One of the ADL’s primary coordinators is the United Grand Lodge of England’s Quatuor Coronati research lodge, which manufactured the murderous Zionist settlers movement which the ADL helps deploy. The Hollinger Corporation, the British intelligence publishing front which owns the Jerusalem Post, is another ADL coordinator. ADL and Hollinger helped create the climate for the Rabin murder.

That Britain would try to kill Rabin, using a patsy from the ADL’s Jewish settlers movement, was forecast on several occasions by this news service since 1992, and was also forecast by PLO Chairman Yasser Arafat, who warned that an “OAS” within the Israeli security services was using such sects to that end. The OAS (Secret Army Organization) was a British-run group within the French military which attempted to kill French President Charles de Gaulle, over his decision to end the Algerian civil war by granting Algeria independence.

Responding to the Israeli-PLO deal

Rabin knew the PLO deal would provoke a violent response from the ADL and other U.S.-based Zionist organizations, and preemptive measures were necessary. One month after the beginning of the talks, Rabin traveled to the United States to deliver, behind closed doors, an unprecedented denunciation of the American-Israeli Public Affairs Committee for interfering in Israeli diplomacy. AIPAC has been the ADL’s most important Congressional lobbying arm. Simultaneously, Peres’s top aide, Yossi Beilin, publicly condemned AIPAC as a “right-wing Jewish organization,” unrepresentative of the American Jewish public.

As a result of the intervention, and scandals over AIPAC’s attacks on religious Jews, AIPAC’s chairman, Tom Dine, a fierce opponent of peace in the Mideast, was purged, and returned to the State Department. A more acceptable figure was installed in his place.

Rabin’s assault was part of a broader campaign, made possible by ongoing U.S. government investigation of the ADL for espionage, an investigation which was made public in January 1993, when government investigators discovered that the group had spied on 1,000 political organizations in the United States. In December 1992, police raided ADL offices in San Francisco, after their investigations revealed that the group had illegally obtained police files. In April 1993, the U.S. Attorney’s Office in San Francisco publicly stated that the ADL was the target; the ensuing investigation tied up the ADL, just as the secret discussions in Norway were coming to fruition. In September, the peace accords were signed in Washington.

Chronology of the showdown

In June 1992, the Labor Party won the Israeli election. The newly sworn-in government of Prime Minister Yitzhak Rabin and Foreign Minister Shimon Peres had the secret commitment, it is now known, to bring the Arab-Israeli conflict to an end. The next month, the Israeli government began secret talks with the PLO in Norway, paralleling diversionary public discussions with Palestinians in Washington. The secret talks were held in Norway to evade interference by the Bush administration and the ADL-led Zionist lobby, which Rabin knew were opposed to peace in the Mideast. The Norway talks later came under the patronage of President Bill Clinton, who unlike Bush, has been committed to Mideast peace.

Rabin knew the PLO deal would provoke a violent response from the ADL and other U.S.-based Zionist organizations, and preemptive measures were necessary. One month after the beginning of the talks, Rabin traveled to the United States to deliver, behind closed doors, an unprecedented denunciation of the American-Israeli Public Affairs Committee for interfering in Israeli diplomacy. AIPAC has been the ADL’s most important Congressional lobbying arm. Simultaneously, Peres’s top aide, Yossi Beilin, publicly condemned AIPAC as a “right-wing Jewish organization,” unrepresentative of the American Jewish public.

As a result of the intervention, and scandals over AIPAC’s attacks on religious Jews, AIPAC’s chairman, Tom Dine, a fierce opponent of peace in the Mideast, was purged, and returned to the State Department. A more acceptable figure was installed in his place.

Rabin’s assault was part of a broader campaign, made possible by ongoing U.S. government investigation of the ADL for espionage, an investigation which was made public in January 1993, when government investigators discovered that the group had spied on 1,000 political organizations in the United States. In December 1992, police raided ADL offices in San Francisco, after their investigations revealed that the group had illegally obtained police files. In April 1993, the U.S. Attorney’s Office in San Francisco publicly stated that the ADL was the target; the ensuing investigation tied up the ADL, just as the secret discussions in Norway were coming to fruition. In September, the peace accords were signed in Washington.

Responding to the Israeli-PLO deal

The first reaction by the Likud bloc in Israel to the September 1993 peace accords was low-key, with some Likud officials, such as Meir Sheetrit, abstaining from voting against the accords. “There are many people in the Likud who think like me and feel this agreement is worth a try,” he said. The party as a whole was waiting for orders from abroad, and these orders were not long in coming. On Sept. 9, Foreign Minister Peres charged in the Knesset that Likud bloc Chairman Benjamin Netanyahu was acting on behalf of financiers in the United States, after Netanyahu charged Peres with high treason over the accord.

British agent of influence Henry A. Kissinger—an ADL “Man of the Year”—was the first prominent figure to denounce the accords. “Euphoria!” he told CBS News on Sept. 11. Two weeks later, Kissinger addressed the London office of the ADL—the Institute for Jewish Affairs—and predicted that Jordan would disintegrate through an impending Islamic fundamentalist takeover, thereby ending the possibility of the
accords being implemented.

But it was not until October, that an international conference was organized against the accords. On Oct. 11, eight hundred people attended a conference in Arlington, Virginia, run by Bertram and Herbert Zweibon, who had teamed up with Brooklyn ADL head Bernard Deutsch in 1968 to found Rabbi Meir Kahane’s Jewish Defense League (JDL). The most prominent speaker at the conference was Uri Ra’anana, the British-trained former head of ADL intelligence, who had also been an Israeli intelligence liaison to the ADL. Rael Jean Isaac, a long-time ADL hack, was another speaker.

On Oct. 16, Sharon picked up on the theme and began calling for settlers to resist the Israeli government. On Nov. 14, Sharon toured the United States to mobilize against the accords, the first Israeli official to do so. In his keynote speech to a New York conference called against the accords, he raved that “the only barrier we have right now to a Palestinian State is the settlers. It is the 150,000 settlers that Rabin said he cannot defend who are really defending Jerusalem.” Sharon was accompanied by Yechial Leiter, leader of the JDL and of the settlers movement.

Sharon’s political career is entirely the result of the funding of Minneapolis mobster Meshulam Riklis (whose own career was entirely the creation of ADL National Vice Chairman Burton Joseph).

Sharon’s campaign bore fruit on Feb. 25, 1994, when Benjamin (alias Baruch) Goldstein, a JDL official originally from Brooklyn, entered the Cave of the Patriarchs Mosque in Hebron on the West Bank, during the Islamic holy month of Ramadan, and killed 50 worshippers. Goldstein had been JDL founder Meir Kahane’s campaign manager for the Knesset, and was an official in the JDL West Bank settlement of Kiryat Arba, for which Sharon had raised funds during his U.S. tour four months earlier.

Prime Minister Rabin, immediately following the Hebron massacre, denounced Goldstein and his cronies as an “errant weed,” which he said “grew in a swamp whose murderous sources are found here, and across the sea.” The Israeli government soon declared the JDL and its kindred organizations illegal, and the Clinton administration followed suit. Britain and France refused to do so, and funding for the organization shifted there.

Although the Israeli government was able to weather the storm in the aftermath of the massacre, it knew, as PLO Chairman Arafat has emphasized, that the continuing sabotage of economic development of the occupied territories, by the World Bank, meant the peace accords could be destroyed.

**Mobilizing a mutiny**

Despite the ban on the JDL, its partisans continued to mobilize against the accords, often outrageously claiming that it was they who represented Judaism. In the last week of March, 200 rabbis, led by Israel’s former Chief Rabbi, Avraham Schapira, gathered at his residence in Kiryat Arba, to issue a religious ruling enjoining soldiers from obeying evacuation orders. “The Torah forbids evacuation from parts of the Land of Israel,” Rabbi Schapira told the press. “Maimonides says that even if a king orders us to break the laws of the Torah, we must not listen to him.”

On March 31, former Israeli Prime Minister Yitzhak Shamir, who had worked with the ADL in deploying Israeli spy Jonathan Pollard in the United States, called for soldiers to disobey their officers. “If a commander orders a soldier to kill his mother, does he have to follow such an order? Evacuating Jews from their homeland [i.e., the occupied territories] is like killing their parents, their history.”

While Shamir and the rabbis were calling for rebellion, ADL National Chairman Abraham Foxman was attempting to rally American Jewry against the Israeli government, and against the Clinton administration for supporting the peace plan.

In a statement to the Hollinger Corp.’s Jerusalem Post on April 2, Foxman condemned the Rabin government for acting to prevent the ADL from mobilizing against the Clinton administration. Foxman charged that the Israeli government had “asked American Jewish groups last January not to fight the nomination of Strobe Talbott as deputy secretary of state.” He also complained that the Israeli government had pressured them not to push for an end of the Arab boycott, and not to
insist that occupied East Jerusalem is part of Israel.

The Rabin government, Foxman complained, is "seeking to restrain American Jewish opposition" and is "undermining organized Jewry's clout." Foxman warned that this had "serious implications." "If the Clinton administration thinks Israel can dominate American Jews by remote control, it will have precious little incentive to deal with them directly," he said.

Then, on July 12, a group of U.S. rabbis, many from Brooklyn, flew to Israel to a meeting at Rabbi Schapira's home. There, they decreed that Israeli soldiers were required to disobey any orders to dismantle Jewish settlements in the territories. Rabin immediately denounced the ruling on State radio: "It is inconceivable that we will turn the State of Israel into a banana republic."

Countdown to the assassination

In the first week of October 1995, Yitzhak Rabin made his last visit to the United States, where he came into sharp conflict with the ADL. Press accounts in the Jewish and Israeli press give the flavor of the confrontation:

- *Jewish Telegraph Agency*, Oct. 5: "In a series of meetings with Jewish leaders and journalists, Rabin targeted the increasingly vocal segment of American Jewry opposed to his policies. . . . These latest encounters with American Jews came in the wake of last week's signing ceremony in Washington of the interim agreement between Israel and the Palestine Liberation Organization. . . .

  "Rabin's comments made front-page news in Israel with *Yediot Aharonot*, the country's largest circulation newspaper, blasting the headline 'Rabin Against the Jews' in its Sunday edition. Another major Israeli daily, *Ma'ariv*, reported that Rabin had called groups opposed to his policies *muktzeh* (outside the pale). The paper quoted Abraham Foxman, national director of the Anti-Defamation League, and Seymour Reich of the American Zionist Movement, as saying the prime minister had made a major mistake."

- *Jerusalem Post*, Oct. 7: "Prime Minister Yitzhak Rabin, facing American Jewish leaders on their turf last week, blasted the community for lobbying against his policies."

- *Forward*, Oct. 20, "Yitzhak Rabin's Own Chutzpah," by Likud ideologue Shmuel Katz. The paper's editorial board is dominated by ADL officials: "Mr. Rabin accuses the American Jews of chutzpah because they protest against American money being given to Yasser Arafat. The chutzpah is all Mr. Rabin's. The protesting American Jews do not want their taxes to be used for the strengthening of a terrorist who—incidentally—means to bring about the destruction of Israel. These Americans still recoil at the recollection of that handshake on the White House lawn.

  "Mr. Rabin and his colleagues, however, evidently object strongly when Americans who have immigrated dare to express opposition to the government's 'peace' policy. Their attitude may be exemplified by Foreign Minister Peres' reaction to such dissent. Heckled at a meeting by a woman with an American accent, he told her: 'Go back to Brooklyn.'"

Accompanying Katz's article was an op-ed by Abraham Foxman, entitled, "... And Where He Erred in America": "During his recent visit to the United States for the signing of the Oslo II accords, Prime Minister Rabin leveled two criticisms at American Jews. First, he lashed out against those who oppose his policies and seek to hamper the peace process through congressional action. . . . By focusing on the negative rather than the positive, he only serves to alienate his target audiences and ultimately fails to encourage American Jews to support his goals.

"One can understand the passion of American Jews 'lob­bying' against the policies of the Israeli government. Indeed, every caring Jew has a right to his opinion about the safety and security of Israel."

- *Washington Jewish Week*, Oct. 12, "American Jews Divided—Peace Process Opponents 'Treasonous'?:" "Late last month, Israeli Prime Minister Yitzhak Rabin lashed out at American Jews who lobby in Washington against the Israeli government's negotiating policy toward the Palestinians. Rabin told members of Jewish organizations that American Jewish groups should not lobby against the peace process in Congress.

  "'I have never before witnessed an attempt by [Jewish] Americans who live here to try to put pressure on the Congress against the policy of the government of Israel,' Rabin said, according to a source who attended the private meeting. 'This cannot be tolerated by any government of Israel.' Rabin made similar remarks to reporters in New York and on a plane to Jerusalem, calling opponents' actions 'loathsome' and 'audacious.'"

The death order comes down

Rabin returned to Israel to face demonstrations in which followers of the JDL and other settlers organizations carried signs depicting him in Nazi uniform. On Nov. 4, a month later, Rabin was shot dead by a member of the ADL-spawned settlers movement.

The death order against Rabin was issued by Brooklyn-based Lubavitcher Rabbi Avraham Hecht, of Congregation Sha'are Zion, in an interview with writer Robert Friedman, that appeared in the Oct. 9, 1995 issue of *New York* magazine. Following the Rabin assassination, the prime minister's killer, Yigal Amir, admitted that he was acting under rabbini­cal orders.

Rabbi Hecht was and remains the "spiritual advisor" to one of the leading members of the ADL's "Millionaires Club," banker Edmond Safra. Safra, who owns a string of banks in the United States, Brazil, and Switzerland, which have been accused by the Drug Enforcement Administration of laundering drug money for the Syrian and Colombian cartels, made a $1 million tax-exempt contribution to the ADL in the mid-1980s, and remains one of the League's largest donors.
Shock troops for world government

by Harley Schlanger

There can be no more compelling proof of the charge made by Democratic Party Presidential pre-candidate Lyndon LaRouche, that there is a “second Republican Party” nested within the Democratic National Committee (DNC), than the two lead essays which appear in the March 1996 issue of Commentary magazine.

Commentary, which has been published since 1945 by the American Jewish Committee, was considered to represent the viewpoint of the liberal New York-centered Jewish intelligentsia, featuring articles and reviews by a bizarre collection of former “Trotskyites” and assorted “leftists.” In the late 1960s, under the direction of Norman Podhoretz, who retired as editor last year after 35 years at its helm, it allegedly shifted its perspective, taking what one of its editors described as a “sharp veer to the right.” The former “leftists” were reborn, proudly defining themselves as “neo-conservatives,” or “neo-cons.”

However, contrary to their assertion that the neo-conservative movement was created to combat Soviet expansionism and the “counterculture” in the United States, in defense of traditional American values, it has served as a battering ram on behalf of those globalist financial interests committed to the destruction of the United States as a sovereign republic. They are more accurately described as “right-wing Social Democrats,” with ties to the entire panoply of “secret government” police-state operations associated with Iran-Contra, and the kooky but dangerous “world government” schemes launched by British genocidalist Lord Bertrand Russell.

And virtually every one of the neo-cons is a longtime LaRouche hater.

Among the institutions they targetted was the Democratic Party, as it had been re-created through the coalition built by President Franklin Delano Roosevelt.

The ‘Conservative Revolution’

Podhoretz opens the March 1996 issue of Commentary with an article titled “Neo-Conservatism: A Eulogy,” in which he reveals a great deal about the actual nature of neo-conservatism. While acknowledging that the title implies the movement it nurtured is dead, Podhoretz writes that he means “that it no longer exists as a distinctive phenomenon requiring a special name of its own.”

In fact, he says, those “who can perceive not a dime’s worth of difference between the neo-conservatives and Newt Gingrich and his troops” are close to the truth. “For what killed neo-conservatism,” he continues, “was not defeat but victory; it died not of failure but of success,” that is, the November 1994 sweep of the Congressional elections by the Gingrichites.

Not only does Podhoretz proclaim Gingrich’s Nazi program, with its assault against the power of the federal government to protect the general welfare, as defined in the U.S. Constitution, as his own, but he has designated it correctly, referring to it as “the conservative revolution,” the name given to this outlook by former SS official Dr. Armin Mohler, whose study of Die konservative Revolution in Deutschland, 1918-1932, identifies the origins of the movement of Adolf Hitler.

Further, he accurately identifies his clique as part of the Hubert Humphrey Minnesota Democratic Farm Labor Party (DFL) machine which was sponsored by organized crime operatives tied to Meyer Lansky, who used the weak Harry Truman to reverse the nationalist, anti-British foreign policy direction of FDR after World War II. “Most of them,” he writes of the neo-cons, “remained members of the Democratic Party, supporters of Hubert Humphrey (the liberal anti-Communist Humphrey of the ’50s, not the Humphrey who went Left in the last years of his life) and especially the great cold warrior Henry ‘Scoop’ Jackson who, they vainly hoped, would rescue the party from the McGovernite forces . . . and return it to its old Trumanesque glory.”

Neo-cons in the Democratic Party

This crowd includes:

Burton Joseph, a charter member of the Minnesota-Humphrey mob, whose I.S. Joseph Co. mills the wheat of grain cartel giant Cargill. His mother was Humphrey’s first campaign manager. He became a national vice chairman of the Anti-Defamation League of B’nai B’rith.

Meshulam Riklis, whose corporate acquisitions were financed by Joseph. In 1971, Riklis was one of the largest shareholders of Investors Overseas Services (IOS); he sold his stock to Robert Vesco at the advice of Vesco’s attorney, Kenneth Bialkin, formerly the national chairman of the ADL. In 1973, Riklis bankrolled Ariel Sharon’s election to the Israeli Knesset (parliament). Due to his later alliance with junk-bond king Michael Milken, he is known as one of “Milken’s Monsters.”

Max Kampelman, who, with Humphrey, was a founder of the DFL. Kampelman was trained by Jay Lovestone, a former “Bukharinite” (an anti-Stalin Communist) who became a “right-wing Social Democrat.” Lovestone operated from within the labor movement for nearly 50 years. Many of the top neo-cons, especially those later associated with “Project Democracy,” the covert drug-pushin operation directed by Vice President George Bush, came out of Lovestone’s network. Kampelman served as chairman of the board.
of Freedom House, which was a part of the Project Democracy network, and has been an honorary vice chair of the ADL since 1981. In 1989, he became chairman of the board of governors of the United Nations Association of the U.S.

**Evron and Jeane Kirkpatrick.** Evron Kirkpatrick was a professor at the University of Minnesota, whose students included Humphrey and Kampelman, with whom he worked to found the DFL. He married Jeane in 1955. Both were involved in the creation of Project Democracy, working with a network which included Kampelman, Richard Perle, Daniel Moynihan, then-AFL-CIO President Lane Kirkland, and Norman Podhoretz. The Kirkpatricks, who are life-long Democrats, were co-founders of the Coalition for a Democratic Majority, while Jeane served a term on the DNC. She is also a member of the advisory board of another arm of right-wing Social Democracy, the League for Industrial Democracy (LID), serving with board member Midge Decter (Mrs. Norman Podhoretz). (The former executive director of LID, Arch Puddington, is a frequent contributor to *Commentary.*) Jeane was appointed U.S. Ambassador to the United Nations by Ronald Reagan in 1981.

It is the network in the DNC associated with this gang, typified by former DNC Chairman Bob Strauss, which threw the 1994 elections, and is preparing to do the same in 1996.

This is made clearer by the second article in the March 1996 issue by Irwin Stelzer of the American Enterprise Institute. Stelzer’s article, “Is the Republican Revolution Alive?” reiterates the point made by Podhoretz: The conservative revolution of Gingrich is not dead; instead, “it is nearer the truth to say that the revolution has triumphed—at least so far, and at least in major part.”

As evidence of this victory, Stelzer cites what he calls the major concession in President Clinton’s State of the Union address, “when he pronounced the end of the era of big, high-spending government, extolled family virtues, and denounced the immorality of much popular culture.” It is “beyond dispute,” Stelzer raves, that Gingrich won the budget battle, because the Democrats now recognize they must bow to “the public demand” for a balanced budget.

In his fit of euphoria, Stelzer lets slip the real goal of the neo-cons. For Gingrich, he exults, the battle is not about budget deficits. Rather, he sees “the deficit as an issue around which to rally the forces of less government.”

**Irving Kristol and world federalism**

A review of the career of Irving Kristol, whom Podhoretz refers to as the “godfather of the neo-cons,” sheds more light on the world federalist ideology of their movement. Kristol graduated from City College of New York in 1940. As a student, he had been a member of the Young People’s Socialist League, a Trotskyite organization. As such, he associated with future neo-cons Seymour Martin Lipset, Daniel Bell, and Nathan Glazer, and came under the influence of Max Schachtman, James Burnham (later associated with William F. Buckley’s *National Review*), and Dwight MacDonald.

After a stint as managing editor of *Commentary*, Kristol moved to Great Britain, where he co-founded *Encounter* magazine with Stephen Spender in 1953. *Encounter* was sponsored by the Congress for Cultural Freedom, which was chaired by Bertrand Russell. It was during this period that Russell was undermining the concept of national sovereignty through the Pugwash Conferences, using the danger of nu-
clear war as an excuse to establish a world government. Another board member was Cord Meyer, a leader of the “World Federalist” movement.

Among the contributors to *Encounter* were British Social Democrats Denis Healy and Roy Jenkins, recently cited by London Guardian reporter Martin Walker as responsible for cementing the Anglo-American “special relationship” during the 1960s and ‘70s, and a model for Britain’s prime minister-in-the-wings, Tony Blair.

Despite his assertion that neo-conservatism is not as libertarian as Friedrich von Hayek, the author of modern globalist free trade policies, Kristol is an unabashed follower of the anti-American school for which von Hayek became the leading representative. In writing of the tradition of “classical political philosophy” on which neo-conservatism is founded, Kristol notes in his essay “Adam Smith and the Spirit of Capitalism,” that neo-cons are “admiring of Aristotle, respectful of Locke.” This tradition, he writes, shaped the “Anglo-Scottish Enlightenment,” producing Hume, Adam Smith, Adam Ferguson (Smith’s teacher), and Lord Shaftesbury, who, according to Kristol, were responsible for the American Revolution.

Engaging in the kind of outrageous intellectual fraud later perfected by Sen. Phil Gramm (R-Tex.), Kristol claims that it was Smith’s *Wealth of Nations* that guided the American Founding Fathers, who, he said, “turned out to be followers of Adam Smith avant la lettre—that is, they subscribed to his doctrines before they had been promulgated.” Admitting that “not many of the Founding Fathers actually read the entire book,” he nevertheless concluded that they “understood it thoroughly (in their bones as it were) without having to read it.”

Kristol dismisses as “scholastic nonsense” all notions of man as having ‘higher’ needs,” a notion which is central to the U.S. Constitution. Instead, he sees man as “a human animal who, for all his extraordinary differences from other animals, remains fundamentally of their kind: a creature of prescribed needs, desires, and appetites whose activities are dedicated to their appeasement.”

Given his conclusion that man is a beast, it should not be surprising that Kristol sides with von Hayek and Milton Friedman as opponents of the federal model of government adopted by the Founding Fathers. He argues that progress can only occur when there is “maximum human liberty”—by which he means, no interference by government—“because it is only through the exercise of such liberty that the serendipitous effects of social evolution can emerge.”

Since Kristol, Podhoretz, and the neo-cons believe that any role played by the state in economic and social policy undermines the “serendipitous” workings of the free market, they advocate the dismantling of virtually every social welfare program adopted since the New Deal. The pages of *Commentary* are filled with diatribes against the “welfare state,” which is blamed for most societal ills.

Its contributors have proposed that “big government” be dismantled, beginning with privatizing education and prisons. The December 1994 issue featured an article by Charles Murray on “What To Do About Welfare.” Murray, the co-author of *The Bell Curve*, a book which has been accurately discredited as a rewarmed version of the Nazi race theories which led to slave labor and mass exterminations, argues for “scraping welfare altogether,” which he scribbles will succeed because it will “reduce the number of babies born to single women,” which he claims is the main cause of welfare! Murray was given eight pages in the May 1995 issue to defend his book from its legion of critics.

Kristol and Murray are two of 72 prominent neo-cons who contributed to the 50th anniversary issue of *Commentary*, in November 1995, in which they were asked to comment on the proposition that the United States is “moving toward balkanization or even breakdown.” While the editors apparently were not attempting to be ironic, the actual danger of balkanization of the United States stems from application of the solutions offered by the neo-cons to the problems facing the United States, as they are committed to ripping up the guarantees of life, liberty, and the pursuit of happiness embodied in the Constitution, and replacing them with a globalist, post-industrial, Darwinian social order.

Kristol’s son, William, is the editor of Rupert Murdoch’s
Commentary vs. the Mideast peace process

A report on Commentary would not be complete without noting its role in assailing the efforts of assassinated Israeli Prime Minister Yitzhak Rabin and current Israeli Prime Minister Shimon Peres to bring peace to the Middle East. Beginning in April 1993, Podhoretz has written a string of editorials designed to mobilize the American Jewish community against the Israeli government.

In the first of these editorials, Podhoretz writes that he has decided to reverse the position he held when Menachem Begin and Yitzhak Shamir of Likud were prime ministers of Israel. “I took the position that American Jews had no moral right to criticize Israel’s security policies.” However, since he opposes the peace process, he has changed his mind. Claiming that Rabin had capitulated to pressure to negotiate from the United States—“What had been attempted rape under Shamir became under Rabin a happily consensual affair”—he writes, “Under these new circumstances, my old objection to criticism of Israel’s policies by American Jews cries out for reexamination.” Thus, “I have decided, in spite of my moral qualms, to speak out as a Jew against the course Israel is now taking.”

While Podhoretz has reiterated this theme in further essays in June 1993, December 1994, and December 1995, Commentary has carried attacks on the Rabin-Peres policy virtually every month. In each case, the venom against Rabin grows, with Podhoretz noting in particular his distaste over the fact that Rabin had changed his axioms in pursuit of peace.

But Podhoretz has not merely been pursuing an intellectual disagreement. While he rants against Rabin and Peres in Commentary, his neo-con allies have been organizing the opposition to them, including aiding the extremists from whose midst the murderer of Rabin emerged. On Oct. 11, 1993, at a rally sponsored by the Americans for a Safe Israel, which serves as a front for the extremists, including backers of Kahane’s Jewish Defense League, speakers denouncing the peace process included Midge Decter (Podhoretz’s wife), Rael Jean Isaacs of the American Spectator, Hollinger’s Jerusalem Post board member Richard Perle, and Dr. Uri Ra’anan, the recruiter of convicted spy Jonathan Pollard and Washington, D.C. ADL official Mira Lansky Boland. This was followed by a similar event on Oct. 24 at Brandeis University, with speakers including Jeane Kirkpatrick (now an editor of the American Spectator, and David Bar-Illan, editor of the Jerusalem Post and author of several anti-Rabin articles in Commentary.

It is for this, and related activity, that Yitzhak Rabin was moved to denounce this network as enemies of Israel, and Judaism.

The ADL-FBI racist conspiracy against America

by Dennis Speed

The story of ADL collusion with the FBI and other corrupt groupings and individuals in the U.S. Department of Justice, extensively documented in this and the following articles, is shocking, and true. The Federal Bureau of Investigation, from its inception, was used as an arm of a Bonapartist cabal (literally!) in the United States, headed by Teddy Roosevelt, which worked on behalf of the reestablishment of slavery. When that did not succeed, a series of continuing harassment operations was launched, intended to accomplish the same effect, from the 1920s until today.

Teddy Roosevelt gave, as one of the central reasons for the creation of a Bureau of Investigation in the Department of Justice, the need to investigate the involuntary servitude of African-American former slaves in the turpentine camps of Florida. This practice had grown up in the immediate aftermath of the suppression of Reconstruction, which began in the early 1870s and successfully concluded with the passage of the Jim Crow Laws in 1901, while Roosevelt was President. Under the guise of “gathering information” to “prosecute” Southerners involved in this practice, Roosevelt, one of the chief promoters of the Ku Klux Klan and the nephew of the former head of the Confederate Secret Service, assigned Attorney General Charles J. Bonaparte, nephew of France’s Napoleon III, to this task. Thus was born, in 1908, the precursor to what would later be known as the Federal Bureau of Investigation.

Hoover’s legacy

J. Edgar Hoover came to the Department of Justice in 1916, working as a clerk there during the first Woodrow Wilson administration. Wilson had, a year earlier, personally led the reorganization of the Ku Klux Klan, through his support for the movie The Klansman, also known as Birth of a Nation. Wilson’s personal effort helped to recruit millions of Americans to the Klan during the next decade. Hoover, born in 1895, was the head of the George Washington University chapter of the Klan, known as the Kappa Alpha Fraternity, and became director of the Bureau in 1924.

During 1912-13, the Bureau broke its first major case: the prosecution of Jack Johnson, the first African-American
heavyweight boxing champion. Johnson had crossed state lines with a white woman (his fiancée), and was accused of violating the White Slave Traffic Act. According to Kenneth O'ReiUy in Black Americans: The FBI Files, "Hoover told U.S. News and World Report publisher David Lawrence that the Mann Act (White Slavery Traffic Act) had 'protect[ed] the virtue of womanhood.'"

From the time of Hoover's ascendancy, until his death in 1972—almost half a century—Hoover made this crusade for African-American subjugation a primary concern. After his death, the crusade was continued by career officials of the Department of Justice and the FBI, such as Mark Richard and Jack Keeney, who have never distanced themselves from these practices. Under the guise of "breaking the back of communism," Hoover broke every law in the book to "slave-break" the African-American. In this crusade, the ADL was a willing, and enthusiastic, partner.

With its much-touted "investigative capability," it is impossible for the ADL not to know the pedigree of the creature with which it co-habits. Readers of EIR are aware of the current, ongoing targeting of African-American officials by the FBI's "Operation Frühmenschen" ("primitive man"). Researcher Joseph Brewda reports below on the FBI's COINTELpro operations, which date officially from 1967. But, from 1921, there had been an FBI file called "Negro Radical Activities," which included the Marcus Garvey case (Garvey was later indicted and convicted for mail fraud). Later, "Negro Radical Activities" was called "Racial Matters," and involved investigation of "unpatriotic" African-Americans, who "were either members or dupes of subversive organizations," including the Communist Party.

Writer Kenneth O'Reilly asserts "that all the rhetoric about 'communism' was mostly a cover... In the long run, anti-communist assumptions would prove relatively unimportant in shaping FBI attitudes toward the civil rights movement and the black liberation movement." In fact, the illegal and immoral activities of the Bureau—and by extension, its collaborators, such as the ADL—were a direct threat to the democratic-republican political process in America. The case of the Bureau's assault on Adam Clayton Powell, is exemplary.

The persecution of Adam Clayton Powell

A Bureau entry on Powell, then a 34-year-old alderman on the New York City Council, dated June 29, 1942, stated: "From time to time the Bureau has received information from your Field Division reflecting strong indications that the captioned individual is linked with the Communist Party... In view of the strong indications of communist affiliations on the part of Powell, you are requested to immediately institute a discreet investigation of this individual." Powell, elected to the Congress three years later, went on, as chairman of the House Labor and Education Committee, to become the most productive congressman in American history, successfully sponsoring over 60 major pieces of legislation.

Eventually, the FBI would destroy Powell. After the Dec. 7, 1950 murder of an African-American serviceman, John Derrick, by two New York City policemen, and the coverup of the incident by a fixed grand jury, Congressman Powell requested, in 1951, that the FBI investigate the incident. Almost two years elapsed, with no action, until a reporter from the now-defunct New York World-Telegram discovered the truth: A deal had been struck between the Justice Department and the New York City Police Department, in which, according to Powell, "J. Edgar Hoover was to keep the FBI from investigating New York City's sordid record of police brutality."

Although Powell was able to force an investigation of the coverup and the NYPD-FBI deal, no action was ever taken to discipline the policemen involved. Instead, Powell said, he "received anonymous telephone calls and letters saying that some day the Police Department and the career and Civil Service men in the Department of Justice would get me for what I had done." Powell's career was destroyed by precisely this grouping in 1966-70.

Harassment of Martin Luther King, Jr.

The ADL's role in the harassment and spying on Dr. Martin Luther King, Jr. has been repeatedly highlighted by
Racist ADL hits African Americans

by Joseph Brewda

The Anti-Defamation League of B'hai B'rith describes itself as an organization dedicated to "eliminate defamation of Jews and other religious and ethnic groups, and to advance proper understanding among all peoples." But its consistent role in aiding racially motivated FBI targetting of African-American leaders, including operations that prepared the climate for the assassination of Martin Luther King, shows otherwise. Spying, character-assassination, and propaganda campaigns designed to reinforce the view that blacks are inferior, are typical ADL practices. The ADL has hired, funded, handled, and deployed Ku Klux Klan operatives, including convicted KKK assassins. The ADL has been a leading Ku Klux Klan controller since the ADL's creation in 1913.

The ADL began a new phase of this racist campaign at its Nov. 3-4, 1991 international conference in Montreal, Canada, a planning meeting for provoking racial conflict between blacks and Jews in the United States. Both communities have traditionally been Democratic, and often allied, constituencies, and it was the ADL's apparent judgment that this conflict would aid the reelection campaign of Prime Minister Margaret Thatcher's puppet, President George Bush. ADL chairman Abe Foxman reported at the time, that the ADL and Bush were "going steady."

The speech that best exemplified this effort was that of University of Arizona Prof. Leonard Dinnerstein, who told the enthusiastic 200-man audience, that "one group that appears particularly anti-Semitic today, and I could have given this speech 25 years ago and not changed a word, is the blacks." "Educated blacks and the less-educated whites," he specified, "are the ones who are most anti-Semitic."

Said Dinnerstein: "Black anti-Semitism's envy and ambivalence toward Jews has been constant and continuous in American society as far back as slavery days. It probably developed because of the attitudes expressed by Christians in the South before the Civil War, and has continued ever since. At times, blacks praised Jews for overcoming the bigotry that they had to endure and other blacks who were admonished to be more like Jews, but consistently and over time, blacks expressed traditional Christian hostility toward 'Christ-killers' and 'Shylocks.'"

"You can read W.E.B. Dubois's writing in 1902; you can take the remarks of Booker T. Washington in the late nineteenth century; you can take the secretary of the NAACP, who says Jews have all the money in the world, in 1916. You
could take the scholarly writings of blacks: Wedlock in 1942; Ralph Bunche in 1942; Kenneth Clark in 1946; James Baldwin in 1948. There is nothing that has been said about Jews by blacks that was not reported by these scholars in the 1940s.

“During the 1930s, many blacks were either gleeful or indifferent to the plight of European Jewry.”

Dinnerstein’s lying diatribe reflects ADL policy, and its justification for aiding the FBI in provoking racial conflict.

**Commissioning Klan murders**

The Anti-Defamation League of B’nai B’rith was deeply involved in FBI espionage and wrecking operations targeting Martin Luther King by at least 1962. The one case that reached national prominence, was the ADL role in a murder set up by the Invisible Empire of the Ku Klux Klan’s Roberts brothers.

During the summer of 1964, three young civil rights workers, Andrew Goodman, James Chaney, and Michael Schwerner, were summarily executed in Philadelphia, Mississippi, after being turned over to the Klan by the local sheriff. The murders shocked the country, and civil rights volunteers, both black and white, subsequently traveled to Mississippi from throughout the country to redouble efforts to achieve racial equality.

The murders were carried out by Alton Wayne Roberts, his brother Raymond, and a dozen other members of the Klan. Alton Wayne Roberts and six other Klansmen were subsequently found guilty of conspiring to deprive the victims of civil rights, in a federal court in 1967, after the state of Mississippi repeatedly refused to indict the Klansmen for murder.

Imperial Wizard Sam Bowers, one of the defendants, gloated at the trial, “It was the first time that Christians had planned and carried out the execution of a Jew.” Goodman and Schwerner were Jewish.

The Roberts brothers were paid agents of the Anti-Defamation League. Their paymaster, Adolph “Sam” Botnick, was the ADL regional director in New Orleans. Botnick was a close associate of Guy Bannister, the FBI Division 5 chief in New Orleans. Division 5 handled FBI operations against the civil rights movement; Bannister was implicated in both the John F. Kennedy and Martin Luther King assassinations.

Evidence of the ADL employment of the Klan killers first surfaced publicly in a 1968 murder in Meridian, Mississippi. According to police records and related statements, the ADL paid the Roberts brothers $69,000 to organize a Klan bombing of the home of Meyer Davidson, the local ADL head. For its part, the FBI agreed to drop ongoing investigations of the brothers for a series of bombings of black churches, and to “tread lightly” in Alton Wayne Roberts’s appeal on the Schwerner, Goodman, and Chaney murders. The police and FBI ambushed the Klansmen, by arrangement with the Roberts brothers, killing a Klanswoman.

The ADL and FBI were in negotiations with the Roberts brothers to bomb the Davidson home by at least June 1968, according to the Feb. 13, 1970 *Los Angeles Times*. Local FBI Special Agent Frank Watts and Meridian police detective Luke Scarborough struck a three-way deal with the FBI, ADL, and the KKK, the paper reported. The ADL agreed to pay $10,000 to a middleman, and $69,000 to the Roberts brothers,
The targets of the FBI ambush were Thomas A. Tarrants III and Joe Danny Hawkins, two of Roberts’s Klan sidekicks. On June 20, the Roberts brothers informed the FBI that the attack on local ADL official Davidson’s home was arranged. On July 29, Alton Roberts gave the final go-ahead for the attack. The only modification in the plan was that Hawkins was replaced by Klanswoman Cathy Ainsworth.

Shortly after midnight on June 30, Tarrants and Ainsworth parked in front of Davidson’s home, armed with several sticks of dynamite and a handgun. Ten local FBI special agents and a dozen police opened fire. Ainsworth was soon dead, from a bullet in the spine. Tarrants was riddled with 70 bullets, but survived.

On July 2, three days after the successful murder, the ADL kept its word, and duly paid an additional $10,000 to the Roberts brothers for their fulfillment of the deal, Meridian police records report. On July 10, another $10,000 in payments were made. And on Aug. 27, “three Jewish businessmen from Jackson drove to Meridian and gave the Roberts brothers $17,500 as a final payment,” the Los Angeles Times reports.

The FBI also kept its part of the bargain, and “treaded lightly” in punishing Alton Wayne Roberts. In March 1970, he was finally incarcerated—six years after the Schwerner, Goodman, and Chaney murders. He received ten years, and was paroled in three. The brothers were eventually given the status of Federally Protected Witnesses, and reportedly remain on the FBI and ADL’s informants roster to this day.

Aiding the FBI’s Cointelpro

As part of its effort to destroy Martin Luther King and the civil rights movement, the FBI established a secret “counterintelligence program” (Cointelpro) in 1967 mandated to “expose, disrupt, misdirect, or otherwise neutralize ... Black Nationalist Hate Groups.” Under the cover of neutralizing such groups as the Black Panther Party, the FBI also took aim at King and the Southern Christian Leadership Conference, who were officially and fraudulently included in the list of “black nationalist hate groups” targetted by the program! It was because of such abuse, that the FBI’s Cointelpro operations were later banned by the Gerald Ford White House.

The program continued in operation for several years following King’s assassination. The ADL had aided the FBI in going after King, and continued to assist the FBI counterintelligence program after his murder.

The ADL role in this program is demonstrated by FBI documents released to this news service, as well as other investigators, following Freedom of Information Act suits that forced the FBI to release the documents. Without these suits, the ADL role on behalf of the FBI counterintelligence program would continue to be classified. One of their joint operations was the Jewish Defense League (JDL), which was established in June 1968, two months after King’s death.

Rabbi Meir Kahane, the founder of the JDL, had been a paid FBI operative since at least 1963, when he was ordered to infiltrate the John Birch Society on behalf of an earlier
counterintelligence program. He continued this work as a leader of campus front groups which argued that the Vietnam War was in the Jewish interest. And, by 1968, if not long before, Kahane was put on the payroll of ADL official Bernard Deutsch, who ran the League’s powerful Brooklyn chapter.

During its first 18 months of existence, the JDL focused nearly all of its efforts against Afro-American organizations, which it accused of anti-Semitism. A particular focus of its teachers strike. The teachers union was largely Jewish, and the FBI wished to see utilized in a counterintelligence technique. The JDL be used as part of the counterintelligence program. The New York Bureau Field Office wrote to Director Hoover suggesting the JDL could easily operate against the best interest of the BPP with resultant disruption.

On Sept. 5, 1969, the Special Agent in Charge of the New York FBI Field Office wrote to Director Hoover suggesting the JDL be used as part of the counterintelligence program: “The NYO is presently considering an attempt to contact and establish some rapport with the Jewish Defense League in order to be in a position to furnish it with information the Bureau wishes to see utilized in a counterintelligence technique.” Kahane was specified in the memorandum as the person to contact.

By Sept. 22, 1969, FBI Division 5 chief G.C. Moore, who oversaw the program, wrote a memo to Deputy Director William Sullivan outlining the scheme: “The Black Panther Party, as well as other extremist groups, are anti-Semitic in nature. Many instances of anti-Semitism by the BPP have been noted. This information, when placed in the hands of JDL could easily operate against the best interest of the BPP with resultant disruption.”

The FBI was pleased with what ensued. In a May 21, 1970 memo to Hoover, the FBI’s New York Bureau chief reported: “On 5/7/70 ... 35 members of the JDL picketed the Harlem branch of the BPP in NYC. The purpose of this demonstration was to show that the JDL feels the BPP is anti-Semitic in its acts and words. In view of the above action by the JDL, it is felt that some of the counterintelligence measures of the NYO have produced tangible results.”

Brooklyn ADL head Deutsch was Kahane’s paymaster, throughout these events, funding his travels to Israel, and paying for JDL ads in the New York Times. After August 1971, when Kahane moved to Israel, Deutsch became the JDL’s de facto leader, while maintaining his job at ADL. His career was cut short in 1975, when he was convicted of stock fraud and tax evasion.

Meanwhile, ADL intelligence officials were routinely sending reports to FBI Director J. Edgar Hoover, evaluating the progress of the Cointelpro campaign, and adding suggestions. In one Oct. 22, 1968 report, “The Meaning of the SNCC-Black Panther Party Split,” ADL officials Jerome Bakst and Carl Gershman suggested ways to exploit policy differences among black activists to further disrupt their activities. The report forecast further violence, concluding: “How long the Panthers will constitute the vanguard of the black revolutionary movement remains to be seen. For the present at least, increasingly frequent and increasingly violent encounters can be expected between the Panthers and the police.”

The report was sent to the Special Agent in Charge of the Los Angeles office of the FBI, who in turn provided it personally to FBI Director J. Edgar Hoover, according to FBI documents released by the FBI following an EIR suit. The ADL has confessed to the authenticity of the documents.

Since his employment by the ADL, Gershman has been promoted to direct the U.S. government-funded National Endowment for Democracy, an organization which specializes in using human rights propaganda to prepare the ground for coups in Africa and throughout the Third World. Bakst recently retired as the head of the ADL’s Research and Evaluation Department. Their boss at the time, Irwin Suall, oversaw ADL operatives within the Klan, and handled the JDL account. A graduate of Oxford University, Suall has also been a decades-long activist in the social democratic and neo-conservative networks within the trade union movement and Democratic Party.

ADL ‘civil rights’ fraud

On Feb. 25, 1994, the New Orleans Human Relations Commission charged mayoral candidate Donald Mintz with distributing racist and anti-Semitic flyers which secretly “originated in the Mintz campaign.” Three weeks earlier, Mintz’s aide, Napoleon Moses, was indicted for paying for someone to distribute these unsigned (and, therefore, illegal) flyers in an election campaign.

Mintz’s flyers called Jews “Christ killers” and blacks “jungle apes.” Other formulations were: “Negroes are Bad News Lazy Animals,” “Say Never to Jungle Apes & Christ Killers,” and “Dump the Jew Mintz and his Jigaboos!” Mintz mailed the flyers to Jews throughout the country, and raised $250,000 in donations from outside the city as a result. His opponent, State Sen. Marc Morial, who subsequently won the election, is the son of New Orleans’ first black mayor.

Mintz is chairman of the Anti-Defamation League’s Civil Rights Committee, and a member of the ADL National Commission, its ruling body. The Civil Rights Committee oversees the Fact-Finding Division, the ADL’s Klan coordination office. Mintz’s uncle, Bernard Mintz, is an ADL national vice chairman.
ADL caught in spy scandal of the decade

by Jeffrey Steinberg

Henry Schwartzschild waited a long time to go public with his personal horror story about the Anti-Defamation League of B’nai B’rith. Today an employee of the American Civil Liberties Union (ACLU), he resigned from a high-ranking position in the ADL’s publicity office in the mid-1960s when he discovered, to his shock, that the ADL was spying on Rev. Martin Luther King, Jr. on behalf of J. Edgar Hoover and the FBI. It was not until the spring of 1993—nearly 30 years after he quit the ADL—that Schwartzschild came forward and told about the League’s efforts against Dr. King.

In an April 28, 1993 interview, Schwartzschild told San Francisco Weekly: “They [ADL] thought King was sort of a loose cannon. He was a Baptist preacher and nobody could be quite sure what he would do next. The ADL was very anxious about having an unguided missile out there.”

Perhaps Schwartzschild felt vindicated by the recent San Francisco Police Department (SFPD) raids on the ADL’s offices in San Francisco and Los Angeles, in which police seized evidence that the ADL had been illegally spying on 1,000 political, religious, labor, and civil rights organizations all across America, and had maintained dossiers on hundreds of thousands of activists—an Assistant District Attorney in San Francisco confided to an EIR investigator that, in its New York City headquarters, the ADL maintains active dossiers on over a million American citizens. Perhaps he went public when he learned that the ADL had been spying on his current employer, the ACLU.

Schwartzschild’s revelations added another nail to the coffin of the ADL, further confirming that the League, for a long time, has been little more than a right-wing, racist hate-group masquerading as a Jewish civil rights lobby. To call the ADL a “Jewish civil rights” group, is like calling the Ku Klux Klan a Southern Christian men’s association.

The SFPD and Assistant San Francisco District Attorney John Dwyer deserve credit for bringing the ugly truth about the ADL to public light. On Dec. 10, 1992, SFPD officers raided the Bay Area and Los Angeles offices of the ADL, on the basis of evidence that at least one longtime ADL paid operator, Roy Bullock, had been passing classified government files to agents of the South African government, in return for cash payments that totaled more than $16,000. The SFPD inherited the spy probe from the FBI, which discovered back in 1990 that a confidential FBI investigative file on the Nation of Islam had been sold to intelligence agents of South Africa—during the bad-old-days of the apartheid regime.

The FBI probe ran into a serious diplomatic snag the moment that agents discovered that the conduit of the pilfered FBI file to the South Africans was a full-time ADL employee, who had, at one point, doubled as a paid undercover agent for the FBI. However, this arrangement was not a fluke. In a Feb. 4, 1985 memo to special agents in charge of the Bureau’s 25 biggest field offices, Director William Webster had ordered agents to enter into collaboration with the ADL to “monitor and report the activities of domestic terrorist groups.” Webster wrote: “Each receiving office should contact the Regional ADL Director(s) listed in your Division and establish this liaison. FBHQ need not be notified of the results of these contacts with the exception of any significant cases or problems.” The Webster memo had been released to EIR investigator Scott Thompson prior to the FBI’s discovery of Bullock’s South Africa spying, so there was no denying the ADL-FBI collusion.

The ADL-Pollard spy ring

Nine months after the Webster memo was sent out, the FBI snagged foreign spy Jonathan Jay Pollard, a Naval Investigative Service researcher who passed some of the Pentagon’s most valuable secrets on to an Israeli intelligence unit headed by Ariel Sharon’s sidekick and longtime Mossad operator, Rafi Eytan. Eytan and Sharon used the pilfered U.S. data to trade with the Soviet KGB and GRU. The overall damage to U.S. national security was stunning. (Our updated profile on Sharon appears on p. 57.)

Top officials of the ADL were deeply implicated in the Pollard spy affair, and the Office of the Secretary of Defense would eventually compile a list of suspected Pollard accomplices that read like a who’s who of the neo-conservative apparatus, including such ADL allies as DOD officials Richard Perle, Douglas Feith, Fred Iklé, Albert Wohlstetter, Steven Bryen, and Andrew Marshall.

Then-ADL National Chairman Kenneth Bialkin flew to Israel within hours of Pollard’s arrest, and arranged to cover up a key aspect of the ADL’s involvement in the Pollard spy ring. Col. Aviem Sella, an Israeli Air Force officer posted in New York City, was Pollard’s initial recruiter and early case-officer. Sella’s wife, Ruth, was, according to several sources, a fulltime employee of the ADL’s legal department throughout the period of Pollard’s spying. The Justice Department, following Pollard’s arrest, had asked the Israeli government to extradite Sella to the United States to stand trial. After Bialkin’s consultations, the Israeli government refused.

The ADL’s links to Pollard also involved Mira Lansky Boland, the head of the ADL’s Washington “fact-finding” efforts who had been a graduate school classmate and chum of Pollard’s, and remained in contact with the spy. Both Pollard and Boland had been placed in sensitive U.S. government intelligence posts (she worked for the CIA and the Pentagon before joining the ADL staff) through Dr. Uri Ra’an an of the
Tufts Fletcher School of Diplomacy. A former Mossad officer who was assigned to be the liaison with ADL’s parent organization, B’nai B’rith, Ra’anana is today a fixture in the ADL’s lecture circuit, where he is a leading opponent of the Rabin-Peres peace initiatives.

**Burying the San Francisco scandal**

Despite all of these ADL spy links, the Bureau never shut down its collusion with the ADL. The ADL’s top spymaster, fact-finding director Irwin Suall, himself a British-trained neo-conservative, was a periodic lecturer at the FBI’s training academy in Quantico, Virginia.

The FBI apparently tried to bury this embarrassing scandal, by passing the San Francisco probe of the pilfered FBI file on to the local police, in the hope that the case would simply fall between the cracks.

But, Bullock’s accomplice in the South Africa espionage program, which also involved infiltrating anti-apartheid groups on the West Coast, was a San Francisco police officer, Tom Gerard. Police officials did not appreciate that one of their own inspectors in the elite Special Investigations Division was moonlighting for a foreign government. The SFPD proberapidly turned up evidence that Gerard had been accessing confidential department computer records, Department of Motor Vehicles files, etc., and passing them on to Bullock.

The vast majority of the tens of thousands of police and state confidential files that went from Gerard to Bullock, however, were not shipped off to Pretoria. They went into the program, which also involved infiltrating anti-apartheid groups, such as the Arab-American Anti-Discrimination League (AADC). Bullock then turned around and planted stories in the press, accusing the Arab-American groups of being tied to neo-Nazis! The proof? Pilfered copies of their membership lists, with the names of the prominent neo-Nazis included. (When the Jewish Defense League blew up the southern California headquarters of the AADC in 1985, killing its director, Alex Odeh, Bullock was an active “member” of the group. He was one of a handful of trusted AADC activists who had a key to the office at the time of the bombing. Paradoxically, FBI Director Webster denounced the “Jewish underground” at that time, as the greatest terrorist threat to the United States, while simultaneously pushing for ADL-FBI collusion!)

Similar dirty tricks were used against groups such as the ACLU, the National Association for the Advancement of Colored People, the New Jewish Agenda, the United Auto Workers, Greenpeace, the Christic Institute (an outfit in Washington, D.C. that filed a lawsuit against Oliver North, Richard Secord, Ted Shackley, and other figures in the George Bush-led Iran-Contra apparatus), and the Rainbow Coalition. The ADL launched similar dirty tricks against U.S. Reps. Ron Dellums (D-Calif.), a leader of the Congressional Black Caucus, and Nancy Pelosi (D-Calif.), and Sen. Allan Cranston (D-Calif.). They even spied on Yigal Arens, the son of former Israeli Defense Minister Moshe Arens, because he was part of the Israeli peace lobby. Portland’s Jewish mayor, Vera Katz, who had lived on a kibbutz in Israel for years and set up a sister city program, was also a target of ADL spying.

When San Francisco’s African-American community radio station KPOO-FM aired interviews with several victims of the ADL spy program, they received a series of threatening phone calls, labeling them “Jew-hating niggers” and “nigger Nazis.”

In the case of the rival Simon Wiesenthal Center in Los Angeles, Bullock’s dirty tricks nearly turned deadly. When the ADL’s Los Angeles “fact-finder,” David Gurvitz, a protégé of Bullock, was turned down for a better-paying job at the Wiesenthal Center, Bullock and Gurvitz leaked the name of the center’s chief investigator, Rick Eaton, to their agent provocateur inside WAR, a West Coast-headquartered white supremacy group tied to violent skinhead gangs. The informant, code-named “Scumbag,” was given Eaton’s home address, details on his car, etc. Unbeknownst to Bullock and Gurvitz, the FBI, still involved in the South Africa spy probe, was tapping Bullock’s phone. The FBI went to the Wiesenthal Center and to the Los Angeles office of the ADL to warn them about a feared violent attack against Eaton— courtesy of the Bullock-Gurvitz dirty trick.

Ultimately, intense political pressure, from both the ADL and its “friends in high places,” including inside the permanent bureaucracy at the U.S. Department of Justice, blocked felony indictments. The ADL paid out $75,000 into a fund to “combat hate crimes”!
Peddlers of hate against LaRouche
by Bruce Director

One of the most clear-cut cases of Anti-Defamation League involvement in violent criminal acts against a "political enemy" of the City of London and its Wall Street allies, is the 20-year campaign of persecution, slander, violence, and, ultimately, judicial frame-up, against Lyndon LaRouche and his political movement.

In the early 1970s—long before the name "LaRouche" had achieved widespread public recognition—the ADL, the FBI, the KGB, Britain's MI-5, and the New York Times were already in bed, plotting the "elimination" of LaRouche and the destruction of the political movement he was then in the early phases of launching. While the general public knew nothing of LaRouche's activities, certain leading figures within the Eastern Liberal Establishment, including the Ford Foundation's McGeorge Bundy, were painfully aware of the power of LaRouche's ideas, and had already delivered warnings that any signs of further growth in his movement would be met with harsh "containment" measures.

In November 1973, FBI officials in New York City, under the auspices of the Bureau's notorious Counter-Intelligence Program, or Cointelpro, made plans to assist the Communist Party of the United States (CPUSA) in an effort to "eliminate"—i.e., assassinate—Lyndon LaRouche.

All the necessary components of the conspiracy were assembled. LaRouche himself was targeted and some of his associates were subjected to physical attacks, stemming from the FBI/CPUSA plot, which also involved such foreign intelligence services as Britain's MI-5 and the East German Stasi (State Security Service). Running cover for the FBI/CPUSA murder plans were the Anti-Defamation League and the New York Times, which both lied, accusing LaRouche of heading a violence prone, "right-wing cult." By spreading this lie, the conspirators sought to create the climate of hatred and fear, necessary for a successful political murder.

LaRouche exposed the essentials of the murder plan, via a series of widely publicized public forums and flyers that circulated all over the New York City area in late 1973 and early 1974, and the operation had to be scotched. The details of this sordid affair were not further corroborated until Dec. 31, 1991, when several FBI documents were finally released under the Freedom of Information Act, which spelled out the direct role of the FBI in fostering and abetting the CPUSA murder scheme (see graphic).

In the mid-1970s, certain aspects of the late J. Edgar Hoover's Cointelpro program of illegal infiltrations, surveillance, disruption, blackmail, and even murder, came under the scrutiny of the post-Watergate Congress. Among those targeted by Cointelpro, according to the Congressional revelations, were LaRouche, Martin Luther King, Jr., Malcolm X, and numerous other civil rights leaders. Under the spotlight from such exposure, the FBI formally abandoned Cointelpro, but maintained its substance, by farming out many of the more odious tasks to private hit squads, like the ADL. In December 1981, President Ronald Reagan codified the "privatization" of Cointelpro when he signed Executive Order 12333, which broadened the powers of the FBI.

Former FBI Deputy Director Oliver "Buck" Revell, at a 1993 Texas Bar Association meeting, acknowledged this arrangement to an EIR reporter. Revell's after-the-fact admission, merely confirmed the FBI's long-standing use of the ADL hate squad.

Eugene Methvin, a senior editor of Readers' Digest and a longtime collaborator of the ADL in the anti-LaRouche efforts, in his 1971 book The Riot Makers, praised the ADL, as the "prototype attack group": "In its public propaganda operations, the ADL produces a constant stream of literature and audiovisual materials. It even created two 'fronts'—the Institute for American Democracy, and the Institute for Democratic Education—as transmission belts for radio programs and other educational activity. Some League propaganda, on the other hand, consists of powerful direct attacks against groups the League considers hostile, using all the tactics of ridicule and calumny. League propagandists quite obviously appreciate that facts alone are not enough to induce the desired emotional attitudes."

The deployment of the FBI, the CPUSA, the ADL, and major news organizations, in a common effort to eliminate LaRouche, was directed by the most powerful families of the Anglo-American establishment, who feared LaRouche as a man of action and ideas, capable of eliminating the power of the British oligarchy.

Never has the ADL functioned as a "Jewish" or "American" agency. Its orders have always come—top down—from the most senior circles in London.

On Dec. 9, 1978, Canon Edward West, of New York's Episcopal Cathedral of St. John the Divine, a personal representative of the British royal family in America, acknowledged this relationship to the ADL. In an interview with two undercover EIR researchers, Canon West candidly admitted that the British Crown was deploying the ADL to crush LaRouche. "We will not get directly involved. We will have our Jewish friends at the Anti-Defamation League deal with Mr. LaRouche and his organization."

ADL-linked columnist Stephen Rosenfeld publicly announced a London-Wall Street policy to black out any mention of LaRouche from the media, in a signed commentary in the Sept. 24, 1976 Washington Post. Rosenfeld specified the conditions under which LaRouche's name might be uttered: "We of the press should be wary of offering them print or air time. There is no reason to be too delicate about it: Every
Long before the general public knew anything about him, Lyndon LaRouche was a target for dirty tricks and even assassination by the ADL and its partners in crime. Shown here is the FBI’s November 1973 memo backing plans by the Communist Party to “eliminate” LaRouche, and a scurrilous front-page New York Times article, dated Jan. 20, 1974—the first major national press slander against LaRouche.

... Today we decide whose voices to relay. A duplicitous violence-prone group with fascist proclivities should not be presented to the public unless there is reason to present it in those terms. ... The government should be encouraged to take all legal steps to keep the NCLC from violating the political rights of other Americans.” Since that time, with rare exceptions, all news organizations have followed this policy: no coverage of LaRouche, except to defame him.

In 1979, the New York Times was caught red-handed in just such a media smear scheme, when two Times reporters, Paul Montgomery and Howard Blum, boasted to two undercover investigators that they were preparing a libelous article, calculated to provoke a Justice Department investigation of LaRouche. Blum had already established an intimate working relationship with the Justice Department, by penning a libelous book, Wanted: The Search for Nazis in America, which was the chief propaganda instrument through which Secretary of State Henry A. Kissinger and then-Rep. Elizabeth Holtzman (D-N.Y.) forced the creation of the department’s so-called “Nazi-hunting” Office of Special Investigations (OSI).

Reporters Blum and Montgomery were secretly tape-recorded, asking two associates of LaRouche to provide damaging information to the Times, in exchange for Justice Department protection. When the tapes were made public, the Times temporarily killed the story.

Instead, several months later, the slander series was published in a New York City throwaway paper, called Our Town, published by mob lawyer Roy Cohn’s associate Ed Kayatt. The author of the Our Town series was Dennis King, a paid agent of the ADL, deployed directly by Irwin Suall, the national director of the ADL’s Fact-Finding Division. The New York Times, shortly thereafter, reprinted large segments of the King libel, citing Our Town as their “source.”

**Formal ‘Get LaRouche’ drive launched**

In 1982, a public-private “Get LaRouche” task force was brought into existence, at the personal initiative of former Secretary of State Henry A. Kissinger. Kissinger’s personal efforts to launch this anti-LaRouche effort came just a few months after Kissinger’s now-infamous speech in London at the Chatham House headquarters of the Royal Institute of International Affairs (RIIA), the queen’s own think-tank, at which he boasted that he had been an agent of the British Foreign Office throughout his entire “incarnation” in the U.S. government.

In August 1982, Kissinger communicated his desire to attack LaRouche directly to then-FBI Director William Webster, in what became known as his “Dear Bill” letter. According to the ADL’s own published documents, Kissinger’s attorneys were in regular contact with the ADL’s Legal Division throughout the period that the “Get LaRouche” strike force was being launched.

In the wake of Kissinger’s “Dear Bill” letter, on Jan. 15, 1983, David Abshire and Edward Bennett Williams, members of the President’s Foreign Intelligence Advisory Board (PFIAB), put the imprimatur of national security on Kissinger’s anti-LaRouche demands, by seeking authorization for an investigation “under the guidelines or otherwise,” at a PFIAB
meeting. The request was communicated directly to Webster that same day. Webster, in turn, referred the matter to his deputy, Oliver "Buck" Revell.

The Kissinger and PFIAB memos set in motion the coalescence of an illegal task force which included the ADL, the Cult Awareness Network (CAN), various news organizations, agents of the Department of Justice, Internal Revenue Service, Bureau of Alcohol, Tobacco, and Firearms, the state attorneys general of Virginia, California, and New York, and others. This “Get LaRouche” task force operated, in part, under the Reagan-Bush Executive Order 12333, which governed the conduct of U.S. government covert operations, such as the infamous drug- and gun-running Iran-Contra apparatus, then supervised by Vice President George Bush. A telex memo found in the safe of Bush’s subordinate, Lt. Col. Oliver North, shows that North’s apparatus played a part in the “Get LaRouche” task force: The communication from Air Force Maj. Gen. Richard Secord (ret.) to North avers, “Our man here is gathering information against LaRouche.”

The very first project of the “Get LaRouche” task force was to organize an international propaganda campaign to defame and vilify LaRouche, in preparation for renewed legal attacks and assassination. This campaign was organized under the auspices of New York Anglophile investment banker John Train, beginning in April 1983. Train, at the time, was a key player in George Bush’s drug and terror network, in his capacity as head of the Afghan Relief Committee, a conduit for aid to Afghanistan’s mujahideen opium warlord, Gulbuddin Hekmatyar.

Over the next 10 years, thousands of defamatory stories were circulated in U.S., European, and Soviet media, all originating with the ADL and its bedfellows at these Train meetings.

A central figure in the Train salons was Mira Lansky Boland, the Washington, D.C. fact-finding director of the ADL. Recall that Lansky Boland was an intimate of convicted Israeli spy Jonathan Jay Pollard, and was a central figure in the ADL’s nationwide spy apparatus, which was busted up by the San Francisco police.

Other attendees at the Train meetings included: Roy Godson, then a consultant to the National Security Council and PFIAB; John Rees, a longtime FBI informant, with his own extensive ties to the ADL; at least one representative of Freedom House, a private research organization headed by PFIAB Chairman Leo Cherne; Richard Mellon Scaife, a wealthy financier of the Conservative Revolution; Pat Lynch of NBC-TV; reporters for Readers’ Digest, Business Week, the New Republic, and the Wall Street Journal; and pro-drug “freelance” researchers Chip Berlet and Dennis King, both of whom had been under the control of the ADL’s Irwin Suall since at least 1979. Berlet later told an investigator for LaRouche’s defense team that he was introduced to “gentlemen with government connections” at the meetings.

The numerous defamatory stories against LaRouche originating from Train’s salons fraudulently and hysterically referred to LaRouche as an “anti-Semite” and “racist,” specially coining a new epithet, “political extremist.” The hate campaign stuck to the outline prescribed by Rosenfeld in 1976;
however, the intensity of the attacks was increased as LaRouche’s international influence grew. Articles were planted in the Wall Street Journal, the Washington Post, the New Republic, and the New York Times. In August 1986, Eugene Methvin penned his virulent hate piece in Readers’ Digest. A key libel was produced by Pat Lynch for NBC News’s short-lived “First Camera” program. Featured on Lynch’s broadcast was ADL hate-monger Irwin Suall, who called LaRouche “a small-time Hitler.”

In response to the NBC television broadcasts, LaRouche sued NBC and Suall for libel. In the course of that suit, Lynch admitted to receiving non-public information from the IRS, the Federal Election Commission, the FBI, and the CIA. She also claimed that she had collaborated with former CIA counterintelligence chief James Jesus Angleton, who, according to his biographers Tom Mangold and Burton Hirsch, was so obsessed with a vendetta against LaRouche, that he even entered into collaboration with Kissinger, whom he had earlier dubbed a Soviet agent.

Collusion with Soviet bloc agencies

This defamation campaign by government and private agencies also involved collaboration with Communist secret intelligence services, in a replay of the original CPUSA/FBI collusion of 1973.

On Feb. 28, 1986, Swedish Prime Minister Olof Palme was gunned down in the streets of Stockholm. Following the assassination, the ADL’s Irwin Suall, and Pat Lynch broadcast a story on NBC lying that LaRouche had been involved in the murder. Suall flew off to Sweden as a liaison between the FBI and Swedish authorities. In December 1986, NBC revived this defamation with the active participation of Assistant U.S. Attorney John Markham, who was then prosecuting LaRouche in federal court in Boston.

It was only in August 1992, after the collapse of the Communist bloc, that Herbert Brehmer, a former disinformation specialist for Division X of the East German Stasi, told the Swedish magazine Journalisten that he had originated the lie about LaRouche’s involvement in the Palme murder, as part of a KGB-inspired operation. The ADL, NBC, Markham, and the FBI were thus collaborating in 1986 with a communist disinformation campaign against LaRouche as part of their judicial frame-up then in progress.

The idea of ADL-East German Stasi collusion is not shocking. ADL honorary chairman and Seagram’s liquor baron Edgar Bronfman had the exclusive franchise for peddling Western whiskey in East Germany, in return for which, Bronfman would lobby in Washington and on Wall Street against any effort to re-unify with West Germany. The dictatorship of Erich Honecker showed its appreciation for Bronfman’s efforts in 1988, by bestowing on him East Germany’s highest civil award.

In addition to planting attacks in news outlets, the ADL circulated anti-LaRouche hate literature in its own name. In the spring of 1986, the ADL produced a tract on “The LaRouche Political Cult: Packaging Extremism.” The 54 pages of lies and slanders was circulated to every Congressman, major news organization, and to many prominent officials. After an investigation, the Federal Election Commission found that the ADL had violated federal election laws, since LaRouche had already announced his candidacy for President, but citing “the sympathetic” nature of the ADL, decided not to prosecute. The IRS also took no action, even though the ADL had clearly violated its tax-exempt status by participating in a federal election campaign.

The Oct. 6 raid

After three years of persistent attacks, the “Get LaRouche strike force” roused itself again to “eliminate” LaRouche: In the early morning hours on Oct. 6, 1986, over 400 agents from the Federal Bureau of Investigation, Internal Revenue Service, Bureau of Alcohol, Tobacco, and Firearms (ATF), the Secret Service, the Virginia State Police, and the Loudoun County, Virginia Sheriff’s Office, armed with automatic weapons, helicopters, fixed-wing aircraft, and armored personnel carriers, descended on the small town of Leesburg, Virginia and forcibly entered several offices of companies that published newspapers, magazines, and political literature associated with then-President candidate Lyndon H. LaRouche, Jr.

For two days, the government agents packed up and carted off documents which were taken to a secret military installation at the headquarters of the U.S. Marine Corps at Hendersom Hall, just outside Washington.

The armed force was accompanied by a bevy of journalists, and the ADL’s Mira Lansky Boland. A separate contingent of armed government agents surrounded the farm outside Leesburg where LaRouche and his wife were staying. That contingent was prepared, if ordered, to launch an armed assault, designed to cover for the assassination of LaRouche.

Such a massive show of force had no legitimate law enforcement purpose, and was only designed to provoke violence and create a cover for the judicial railroad of LaRouche and his associates. Government documents, released years later, show that the raid’s planners themselves believed there was little threat of violence from the victims. However, individual participants in the raid have since admitted that part of the plan involved a live plot to assassinate LaRouche.

The ADL did not limit itself simply to peddling hate in the public domain. According to government documents and testimony from some of the ADL’s collaborators, ADL officials were utilized to tamper with witnesses, gather information, and other prosecutorial assignments. The ADL’s efforts were so appreciated, that when the task force succeeded in convicting LaRouche on Dec. 16, 1988, Mira Lansky Boland was the only non-government employee allowed to attend the prosecution’s celebration party.
How Tavistock helped the ADL make the Jews ‘victims’

by L. Wolfe

In discussing the history of anti-Semitism in the 1940s, Leonard Dinnerstein, the racist propagandist for the Anti-Defamation League of B’nai B’rith, reveals that the ADL published various instructions to parents, that they should make sure that their children were aware that a hostile world intended to persecute them. Dinnerstein explains that this is necessary because Jewish children need to know that their “Jewish identity” is not defined by their religious beliefs, but the perceived hatred of others for the “Jewish race.”

Dinnerstein reports that one of the key people who drafted the ADL’s instructions to parents was the psychologist Kurt Lewin, a member of an elite international network whose mother institution was the Tavistock Clinic (now combined with the Tavistock Institute for Human Relations to form the Tavistock Centre) in London. Created under the direct patronage of His Royal Highness the Duke of Kent, Tavistock was, and is still, today, the leading psychological warfare capability of the British Crown. Its network included outposts in continental Europe, North America, Australia, and Asia, with funding from British oligarchical families, including their American “cousins,” such as the Rockefellers and the Mellons. Under its umbrella were assembled the leading practitioners of psychiatry; but Tavistock, unlike treatment clinics dealing with individual patients, sought the development of methods of mass social control to support British imperial policy. Their leader, Brig. Gen. John Rawlings Rees, called them the advance guard of what he proposed to be an army of psychological shock troops, which, through mind-destroying therapies and drugs, would control world society for their oligarchical masters.

During the 1920s and ’30s, Tavistock had studied deviant social behavior, and conducted experiments in brainwashing, including the use of drug and electric shock therapies as treatments. They also looked at the effect of crime on its victims. Under controlled conditions, the Tavistock brainwashers could induce within the victims a pathology that was determined by blind, unthinking rage at those committing crimes and at the laws and institutions of society that “failed” to severely punish criminals. Such rage, turned into a political force, is fascist.

With the outbreak of World War II, Tavistock took over the control of the psychological warfare apparatus on both sides of the Atlantic. Rees became the head of the British Psychological Warfare Directorate, while Lewin and others of the network in the United States went to work for the Office of Strategic Services (OSS), profiling the effects of strategic bombing on enemy populations, but also profiling the effects of war and stress on soldiers and populations of allied nations. This led to studies of “discrimination” and prejudice in the military services, and, later, parallel studies of the Nazi experiment, which the British had put in power, but which had gone out of control.

Group brainwashing

Lewin had been one of a number of Jewish psychiatrists and others who had fled Nazi Germany in the 1930s. He had been helped out of the country by the American Jewish Committee (AJC) networks, and, upon arrival in the United States, had quickly developed a collaborative relationship with the ADL. (The association of psychiatry with the B’nai B’rith goes back to Freud and his early Vienna circle. Freud had recruited many of his followers from the B’nai B’rith, to which he had presented some of his initial papers. Freud, in his writings, rejects Judeo-Christian teachings and doctrine, but nonetheless maintains his “Jewishness,” which he claims to be derived from blood—a view of Judaism as a cult, shared by the B’nai B’rith.)

Lewin’s specialty that had attracted the interest of Tavistock, was the study of groups and the mechanisms by which they interact. In developing laws of what he called “group dynamics,” Lewin argued that all society could be divided into groups, whose members shared a set of assumptions about common experiences; if one wanted to control and manipulate society, then various groups could be played off against each other, by manipulating their perceptions.

The ADL applies Lewin’s theories in its dirty tricks operations. In order to control and manipulate Jews, it helps the formation of anti-Semitic groups, such as the neo-Nazis and the Ku Klux Klan, provoking them to attack Jews. It then uses these attacks to create a “reaction formation” among the “group” of Jews, which weds that group closer to the ADL. The question of defining prejudice as “psychological phenomena,” inherent in certain “personality types” or “learned through group experience,” is critical for covering up the dirty tricks of Tavistock and its ADL allies.

The instructions to Jewish parents, cited by Dinnerstein, are in a 1940 article written by Lewin for the ADL’s Menorah Journal. Titled “Bringing Up the Child,” it is a prescription for inducing paranoia: “The basic fact is that [your] child is going to be a member of a less-privileged minority group, and he will have to face this fact.” He urged parents to tell their children that even their best friends harbor anti-Semitic views, and that these might be “repressed” for a time, but will ultimately come out: “The problem is bound to arise some time, and the sooner it is faced, the better.” In about the fourth grade, parents should expect their child to be called “a dirty
Jews”; worse persecution will occur in high school and college. The “certainty” of persecution should help parents “toughen” their children; they must develop a group pride in their experience, which they, in turn, must pass on to their children. That, he says, is how Jews survive.

A year later, Lewin published an essay in the Contemporary Jewish Record (June 1941) on “Self-Hatred Among Jews,” in which he argues that Jews, by denying their inferior status, were losing their sense of identity. Through cowardice and fear, Jews start feeling guilty about their “Jewishness,” and start to dislike their fellow group members. In the most extreme cases, he says, this leads to Jews discriminating against their fellow Jews, where they take on the personality of the anti-Semite. A better response, he indicates, would be to treat the oppressors of Jews the same way that they treat the oppressors of Jews; worse persecution will occur in high school and college.

Lewin proposed the creation of an action-oriented center, that would put his theories of group dynamics into practice among groups in communities. In 1944, the AJC, at the direction of Rabbi Stephen Wise, gave more than $1 million for the creation of the Center for Group Dynamics at the Massachusetts Institute of Technology, headed by Lewin and staffed by his network of Tavistock-linked brainwashers. The AJC had earlier established its own nascent psychological warfare apparatus, the Department of Scientific Research, which had, through cutouts, provided funding for some of Lewin’s work. Now, Lewin and the AJC merged operations, with Lewin simultaneously taking over the control of the AJC Scientific Research Department’s key project, the Commission on Community Interrelations (CCI).

In a letter to Rabbi Wise, Lewin wrote, “We Jews will have to fight for ourselves and we will have to do so strongly and with good conscience. . . . If we establish a Commission on Community Interrelations, we do so with the knowledge that Jews cannot win their fight without the active help of those groups within the majority that are of good will. It wants those groups in communities. In 1944, the AJC, at the direction of Rabbi Stephen Wise, gave more than $1 million for the creation of the Center for Group Dynamics at the Massachusetts Institute of Technology, headed by Lewin and staffed by his network of Tavistock-linked brainwashers. The AJC had earlier established its own nascent psychological warfare apparatus, the Department of Scientific Research, which had, through cutouts, provided funding for some of Lewin’s work. Now, Lewin and the AJC merged operations, with Lewin simultaneously taking over the control of the AJC Scientific Research Department’s key project, the Commission on Community Interrelations (CCI).

The AJC’s psychological warfare division

Lewin proposed the creation of an action-oriented center, that would put his theories of group dynamics into practice among groups in communities. In 1944, the AJC, at the direction of Rabbi Stephen Wise, gave more than $1 million for the creation of the Center for Group Dynamics at the Massachusetts Institute of Technology, headed by Lewin and staffed by his network of Tavistock-linked brainwashers. The AJC had earlier established its own nascent psychological warfare apparatus, the Department of Scientific Research, which had, through cutouts, provided funding for some of Lewin’s work. Now, Lewin and the AJC merged operations, with Lewin simultaneously taking over the control of the AJC Scientific Research Department’s key project, the Commission on Community Interrelations (CCI).

In a letter to Rabbi Wise, Lewin wrote, “We Jews will have to fight for ourselves and we will have to do so strongly and with good conscience. . . . If we establish a Commission on Community Interrelations, we do so with the knowledge that Jews cannot win their fight without the active help of those groups within the majority that are of good will. It wants to work hand in hand with these groups. It will not try to use non-Jewish friends as a front to spare Jews from doing that part of the fighting that they themselves should do.” His draft program for the CCI called for using what he had learned
in psychological warfare to fight anti-Semitism, wherever it is found.

The CCI was the prototype for the ADL’s notorious Fact-Finding Division. While oriented toward anti-Semitism, Lewin pushed it, along with his Research Center for Group Dynamics, to become a clearinghouse for all work on “prejudice”; as such, its operations penetrated and profiled black and minority organizations, trade unions, schools, and the business community, launching many research projects in the immediate postwar period.

Lewin, meanwhile, received AJC and related Jewish funding, for the creation of the network of institutions that became Tavistock’s main apparatus in the United States. For Dynamics, to become a clearinghouse for all work on “prejudice,” it provided the seed money for the establishment of the Institute for Social Research at the University of Michigan at Ann Arbor; it also provided the seed money for the establishment of the National Training Laboratories in Bethel, Maine. At the latter, under a CCI project, Lewin’s personnel created the first “sensitivity training” sessions, to deal with “anti-Semitic attitudes.” Later, the AJC provided funds to put schoolteachers through the sessions, and still later, to create the leadership of the National Education Association; many of the destructive “outcome-based education” theories have their roots in the work of Lewin and the AJC.

Lewin died suddenly in 1947. Just before his death, he had been tabbed to spend a year at the new Tavistock Institute for Human Relations; he had earlier been named an editor of Tavistock’s new journal, Human Relations, created as a joint project with Lewin’s Center for Group Dynamics. After his death, his work continued in this country, through cadre he had recruited and, often, trained, in CCI and other projects.

Profiling America

Shortly after Lewin’s creation of the Center for Group Dynamics and the CCI, the AJC commissioned a multi-volume study of the psychodynamics of fascism. The project was the largest “field research” ever conducted on the American population, involving thousands of interviews and psychological profiles, and employing Lewin’s Tavistock-OSS network, as well as the remnants of the Institute for Social Research (ISR) of the University of Frankfurt, in Germany, a nasty group of Freudian brainwashers who had been brought over to the United States, as had Lewin, with the assistance of AJC-related operations. Under the direction of the ISR’s Max Horkheimer, who was the first head of the AJC’s Department of Scientific Research and who, after the war, restarted the B’nai B’rith operations in Germany, it included as working cadre such notables as Theodor Adorno, also of the “Frankfurt School”; Marie Jahoda, a Lewinite who was later to create the Social Policy Research Unit, a Tavistock offshoot at the University of Sussex, England; R. Nevitt Sanford, who, in the 1960s, created what is referred to as “Tavistock West,” the Wright Institute at the University of California at Berkeley. Also helping was one of the leading field researchers of the Lewin network, Gordon Allport, at Harvard.

Officially titled “Studies in Prejudice,” the series fulfilled a number of interrelated purposes for Tavistock and the AJC-ADL operations.

First, it created an enormous database profile of the U.S. population immediately after the war. In so doing, it provided the basis for later psychological warfare operations against the profiled weaknesses exposed.

Second, it provided a pseudo-scientific cover for the otherwise absurd proposition that fascism and political movements were derived from individual and group personality traits, which could be measured, numerically; hence, one could predict which “personality types” were most likely to become fascist. In its most notorious volume, The Authoritarian Personality, Lewinite techniques were used by Adorno, Sanford, et al., to develop scalar measurements of “fascist” (the “f scale”) and anti-Semitic (the “a-s” scale) tendencies of individuals. Such quackery covers for the political and other manipulations that create fascist movements, just as Tavistock’s profiling of the Nazi leadership not accidentally failed to identify the relationship of the British oligarchy and banking circles in creating, bankrolling, and placing Hitler in power.

Third, the studies’ demonstration of the pervasiveness of anti-Semitic and fascist tendencies within the American population, was used to strengthen the power of the AJC and ADL among Jews, and enhance their overall political power, as the antidote to what ails America. For example, Allport, in a study of prejudice that presaged the findings of the larger study published in The Journal of Psychology in 1946, “discovered” that “at least four-fifths of the American population led mental lives in which feelings of group hostility play an appreciable role”; Allport, citing the CCI survey information, and his own work, further states that the majority of people are “not aware” of their own prejudices, and it must be the role of social scientists and “groups of enlightened” citizens to inform them.

Finally, the quack measurements and description of the so-called authoritarian personality can be used to target anyone perceived to be an enemy of British policy interests, as an anti-Semite. This is standard operating procedure for the ADL, as the LaRouche case demonstrates. Dinnerstein, in the cited text, admits to the usefulness of having a scientific cover for labelling someone an anti-Semite. His criticism of the “authoritarian personality” concept is that it failed to see that the problem is not possible to ever completely remove, no matter what social-psychological measures are employed; one can’t really fight anti-Semitism, only “organized” anti-Semites.

The Holocaust: making the Jewish religion a cult

Not surprisingly, one finds Tavistock’s pawprint all over so-called Holocaust studies. This dates to the work of Bettel-
the Jerusalem branch of the Society for Mental Hygiene in
commissioned a series of country psychological profiles,
called "World Tension—The Psychopathology of Interna­tional Relations." Dr. Abraham Weinberg, the president of
the Jerusalem branch of the Society for Mental Hygiene in
Israel, part of an international network of cothinkers created
by Rees, undertook the profile of the newly established State
of Israel.

In describing a psychodynamic history of Jews, Weinberg
argues that the Jews, as the "Chosen People," are different
from everyone else. The fact that they were made to feel
different by others, merely reinforces this difference. It also
makes Jews, as a personality type, fearful and distrustful of
others. To deal with this fear, many Jews attempt to repress
their Jewishness, forgetting that they are the "Chosen Peo­
ples." Weinberg describes the process of assimilation as lead­
ing to self-hatred and a rejection of Jewishness.

When Jews were confronted with Nazism and other mod­ern forms of anti-Semitism, some fled into this "perfect" as­similation, even giving up their religion completely. Others
tried to live in "both worlds," establishing strong mother-like
ties to non-Jews. However, by far the largest number renewed
their attachment to the "Jewish mission." The suffering was
seen as part of that mission, and the "inevitable" creation of
the State of Israel and the return of the Jews to their homeland
after 1,900 years, was the reward for their suffering. Thus,
it is possible now, writes Weinberg, for the first time in a
millennium, to create a true Jewish personality, based on the
suffering of the Nazi genocide and in the pristine—and con­
trolled—environment of Israel. To arrive at this new defini­
tion of the Jewish identity, he says, "it would be necessary to
eliminate the group tension caused by the special minority of
Jews in the diaspora. Only the freedom guaranteed by the
Jewish state will reveal the special character of the Jew or of
various Jewish groups."

Weinberg states that use of communal methods of living
and child rearing, which, he claims, some psychologists had
a role in creating, will produce a new "race of Jews" which
will not be so influenced by the outside world. They will
not give into fear and will defend their Jewishness, no matter
what the physical cost. Presaging the development of the
Jewish Defense League by ADL-Tavistock networks, he
says that Jewishness will be defined by the defense of home­
land, and that the enemy of Israel, thus becomes the enemy
of the Jew.

Thus, has Tavistock attempted to reduce the Jew to a
manipulable member of a blood-and-soil cult.

Contrary to all of the Anti-Defamation League's own self-
promotional literature, the ADL is not, and never has been
a Jewish civil rights, or Jewish self-defense organization.
Its very existence is an anathema to Judaism, and, more
recently, to the survival of the State of Israel. As the follow­
ing chronology will make clear, the ADL was founded as
a special operations unit of the B'nai B'rith, a branch of
British Freemasonry, established in the United States during
the nineteenth century to promote British efforts to reconquer
the United States. This has been at the heart of the ADL
mission ever since.

As EIR researchers discovered, during a 1978 investigation
into dirty tricks directed against EIR founding editor
Lyndon LaRouche, the ADL was deployed against the
LaRouche movement by one of the most senior officials of
the British royal household in the United States, the chaplain
of the Knights of St. John of Jerusalem, Canon Edward
West, of the Episcopal Cathedral of St. John the Divine in
New York City. The ADL has long served as a "hit squad"
for City of London financial interests that have been in the
forefront of British efforts to subvert the United States. Space
does not permit a full elaboration of the ADL's history of
perfidy. But the time line that follows provides the reader
with enough of the story to penetrate the ADL's own fraudu­
ment propaganda.

1840s: The B'nai B'rith was formed in the United States,
as a spin-off of Britain's Scottish Rite masonry.

1860s: Unlike the great majority of American Jews, B'nai
B'rith (at that time a 3,000-member secret society) was favor­
able to the southern slaveowners' Confederacy.

Simon Wolf, B'nai B'rith's leader in Washington, D.C.,
was arrested in 1862 by federal government detectives as a
Confederate espionage agent. On the morning of April 14,
1865, Wolf went drinking with his friend John Wilkes Booth.
Later that day, Booth murdered President Abraham Lincoln.

Benjamin Peixotto, editor of the pro-Confederate Cleve­
land Plain Dealer (shut down by public outrage), became
grand master of B'nai B'rith, 1863-66.

B'nai B'rith's top Midwest leader, Isaac M. Wise, was
nominated for Ohio state senator on the radical anti-Union “copperhead” election ticket. Wise’s running mate for Ohio governor was Clement Vallandigham, then in exile in Canada, whom President Lincoln had banished from the country as America’s leading traitor. The Cincinnati Jewish community was overwhelmingly pro-Union, and Wise’s synagogue issued a formal demand for him to withdraw, forcing Wise off the ticket.

B’nai B’rith’s top southern leader, the British-born Abraham E. Frankland, was arrested in Memphis, Tennessee by Union forces, and admitted to being a Confederate spymaster. Frankland was a collaborator of Confederate Gen. Albert Pike in the creation of the Ku Klux Klan following the Civil War.

1875-85: Jacob Schiff, a German Jewish immigrant with British connections, in 1875 joined the New York investment banking firm of Kuhn, Loeb and Co. Schiff was managed and sponsored by Ernst Cassell, top intelligence and banking adviser to Britain’s Prince Albert Edward (later King Edward VII). By 1885, the prince’s backing made Schiff the boss of Kuhn Loeb.

There exist more than 1,500 letters between Jacob Schiff and Sir Ernst Cassell. Schiff and Kuhn Loeb became an American extension of British strategic and propaganda projects. These efforts were managed by a clique of racists and “New Dark Age” advocates, among whose leaders were Prince Albert Edward (king of England, 1901-10), Ernst Cassell, Benjamin Disraeli (British prime minister 1874-80), Lord Salisbury (British prime minister 1885-86, 1886-92), and Salisbury’s nephew Arthur Balfour (British prime minister 1902-05).

1895: Ernst Cassell arranged the marriage of Felix Warburg to Schiff’s daughter, and brought the British-German banker family Warburgs into Kuhn Loeb.


1897: British banker Otto Kahn joined Kuhn Loeb. Ernst Cassell arranged, in London, to finance the purchase of the bankrupt Union Pacific railroad, which was given to Wall Street broker E.H. Harriman; Otto Kahn handled the details for Cassell. Thus Harriman became a power as the prince’s nominee, with the Harriman, Kuhn Loeb, and Warburg interests completely interlocked.

Kuhn Loeb functioned also in a triangular team with the British house of Baring, and Canadian banking and political boss Lord Strathcona.

1901: B’nai B’rith leader Simon Wolf was a featured speaker at the dedication of the Washington, D.C. statue honoring Ku Klux Klan founder Albert Pike.

Meanwhile, Adolph Ochs’s New York Times ran a series of editorials, between 1899 and 1903, calling for taking away the right to vote from southern Negroes. For example, a July 25, 1901 editorial, entitled “Election Reform in Tennessee,” proclaimed:

“The forces which in most Southern States have culminated in a demand for a revision of State Constitutions [to eliminate Negro suffrage] which the political managers could neither resist nor guide for their own purposes, and which have found their highest expressions in the conventions now revising the Constitutions of Alabama and Virginia, have begun to work in Tennessee. Numerically, the Negro is not now, and never was, strong enough to control the state. The danger to be apprehended from him is due to the mercenary character of his vote, and the readiness with which, on the promise of immediate profit or ultimate advantage, he can be manipulated and brought into alliance with those who may find it to their interest to use him for purposes destructive of good government.”

1903: Jacob Schiff was permitted to join the Pilgrims’ Society of London, making him a kind of “honorary Aryan.”

1904: Russian feudalists, allied to the British Empire against Russia’s pro-modernization faction, whipped up peasants to perpetrate savage pogroms against Jewish ghettos. In parliamentary debate over potential Jewish immigration, the anti-Semitic British Prime Minister Balfour argued that Jews were undesirable and not welcome in England.

Simon Wolf became international president of B’nai B’rith.

1905: Britain financed Japan’s war against Russia. Jacob Schiff, in London, agreed to handle a portion of the British sterling loan, on the pretext of “fighting anti-Semitism.” Russia’s industrialization/modernization efforts, the only means by which anti-Semitism could have been ended, were destroyed in the wartime chaos and the resulting 1905 Revolution. King Edward met with Schiff and thanked him for providing an “American” cover for the British attack against Russia; the king then knighted Schiff’s manager, Ernst Cassell. Korekiyo Takahashi, then vice governor of the Bank of Japan, wrote that Schiff’s fronting “was peculiarly gratifying to the British Government . . . [because it] showed that sympathy with Japan and understanding of the Japanese cause were not confined to her British ally” (quoted in Cyrus Adler’s 1928 book Jacob H. Schiff: His Life and Letters, Vol. II, p. 216).

1906: King Edward VII’s agents formed the American Jewish Committee (AJC) in the Kuhn Loeb bank. The committee was led by Jacob Schiff, personnel of Kuhn Loeb, B’nai B’rith leader Mayer Sulzberger, and Cyrus Sulzberger, whose son soon after married Adolf Ochs’s daughter and co-managed the New York Times. The AJC and Kuhn Loeb were organizationally congruent.

1913: The Anti-Defamation League was formed as a public relations arm of the B’nai B’rith.

1917 through 1920s: Sir William Wiseman, an English blueblood baronet, served as liaison between U.S. President Woodrow Wilson and the British government in World War
I. Following the war, Wiseman joined Kuhn Loeb; according to the firm’s internal history account, *Investment Banking Through Four Generations*, Sir William joined the firm “after service in the British Army and as chief of British Intelligence in the Western Hemisphere.” Wiseman, a non-Jew, was a Kuhn Loeb partner until his death in 1962.

During the 1920s, Kuhn Loeb and the Warburgs brokered the purchase of German assets by E.H. Harriman’s son Aver­rell Harriman. Under the policy leadership of the pro-fascist Bank of England Governor Montagu Norman, the German firms associated with Harriman and Warburg became the headquarters for Nazi Party fundraising and campaigning in the 1926-32 period.

1930: Kuhn Loeb partner Otto Kahn and Averell Harriman were recorded as members of the American Eugenics Society, the offspring of the British fascist organization whose American branch had been founded by Averell Harriman’s mother.

January 1933: Adolf Hitler became chancellor of Germany. His attacks on Jews soon led to large-scale protests abroad.

Feb. 18, 1933: The *New York Times* editorially praised the international bankers’ financial bailout of the new Hitler government, arguing that “any attempt to force immediate repayment of short-term loans would disrupt German finance. But the effect of their [the bankers’] action has been to strengthen the whole international situation at perhaps its weakest point.”

March 31, 1933: The B’nai B’rith and the American Jewish Committee issued an official joint statement, counselling “that no American boycott against Germany be encouraged,” and urging “that no further mass meetings be held or similar forms of agitation be employed” against the newly formed Hitler dictatorship.

June 4, 1933: The *New York Times* warned against trying to force German firms to pay their debts in violation of the Hitler decree cutting down the payments: “Reports from New York that American holders of German bonds would resort to forced seizure of German property in the United States in the event of a default on service payments were deplored in American banking circles here on the ground that there would be no justification for resorting to such a procedure.”

Kuhn Loeb, meanwhile, was marketing reduced-interest bonds for the Hitler regime, which the pro-boycott faction denounced as a Nazi swindle. Jacob Chaitkin, father of this author, successfully did what the *Times* warned against—sued the Nazi-linked financiers “to force seizure of German property in the United States in the event of a default on service payments.”

1933-38: The AJC and B’nai B’rith/ADL worked to block the boycott against Nazi Germany led by the non-British-controlled American Jewish Congress. For years, the Congress movement, led by Rabbi Stephen Wise and Nahum Goldmann, fought to overcome the sabotage of the British-sponsored AJC-B’nai B’rith combination. Only when Britain did an about-face in 1937-39 and began to officially oppose Hitler, did Britain’s American Jewish faction “support the boycott.”

All through the Hitler period and into the 1960s—while Britain’s Sir William Wiseman was at Kuhn Loeb—the American Jewish Committee and the Anti-Defamation League of B’nai B’rith were run as joint organizations for purposes of fundraising, management, and intelligence.

1943-1950: The British intelligence services, through pro-Nazi faction leader Montagu Norman, psychiatrist Gen. John R. Rees, and Julian Huxley, organized a post-World War II “mental health” global propaganda apparatus. One important project, under the direction of the U.S. networks of Rees’s Tavistock Clinic, was a mass psychological profiling project including the publication of the book *The Authoritarian Personality*. The project purported to explain fascism, racism, and, by implication, the mass slaughter of the Jews, with false “scientific authority,” as if they were a “sociologi­cal” rather than a political problem involving evil policies of powerful men. Among the project’s themes were the equation of fascism with German ethnic identity, Roman Catholicism, and opposition to wealthy and powerful families!

The American Jewish Committee was the official publisher of this monstrous fraud, and the Anti-Defamation League adopted its themes as a political weapon.

In 1945, the American Jewish Committee founded the magazine *Commentary*, as a postwar British Empire political outlet within the United States.

1960: The American Jewish Committee’s new headquarters building in New York was named the Institute of Human Relations, stressing the AJC’s close relationship with the British Crown’s Tavistock Institute.

1982: American Jewish leader Nahum Goldmann died, after long service as head of the World Jewish Congress. During the 1930s he had fought for anti-Hitler action, against the sabotage of the right-wing ADL/American Jewish Committee faction. Goldmann had also been a leader of efforts to bring about peace and reconciliation between Israel and its Arab neighbors.

Billionaire Canadian Edgar Bronfman took Goldmann’s place as head of the World Jewish Congress. The British Crown and Canada’s Lord Strathcona had sponsored Bronfman’s father’s rise to wealth in the bootlegging racket. By 1990-91, Edgar Bronfman was listed in *Who’s Who in America* as a member of the executive committee of the American Jewish Committee, chairman of Anti-Defamation League N.Y., and an Overseer of B’nai B’rith International.

Increasingly today, only those affiliated with racist British geopolitical aims have been permitted to assert themselves as representatives of the Jewish community. It is this newly dominant faction that has used “holocaustism” as a weapon of reactionary politics—undoubtedly the greatest case of chutzpah the world has ever known.
Current hostilities between Israel and the Hezbollah guerrillas based in Lebanon, have thrown the Middle East into the deepest level of violence since the September 1993 signing of the Oslo Accord between Israel and the Palestine Liberation Organization. Hezbollah has fired hundreds of Katyusha rockets into northern Israeli settlements, while Israel has launched over 1,000 air sorties and fired over 11,000 artillery shells into southern Lebanon. An estimated 400,000 Lebanese civilians have been forced to flee their homes and head north for safety. Hundreds of people have been killed and wounded.

Unless Hezbollah ceases its rocket attacks, fighting threatens to drag on into the period of the Israeli elections on May 29. This would surely lead to a defeat of the ruling Labor Party of Shimon Peres, and bring to power the right-wing Likud party, which has already promised to reverse the peace process if it achieves power.

The proposals for a negotiated cease-fire being brokered by U.S. Secretary of State Warren Christopher, call for Syria (which is effectively an occupying force in Lebanon) to restrain Hezbollah and guarantee a cease-fire by setting up a mechanism to enforce it. Washington sources have been quoted claiming that Christopher hopes to convince both Lebanon and Syria to attend the April 22 follow-up meeting to the Sharm el Sheikh anti-terrorism conference, to be held in Luxembourg. As of this writing, the proposal has not been taken up by any of the antagonists, including Israel.

The decisive flaw in Christopher’s proposals is that they start from the fiction that Hezbollah initiated these actions on their own or with the prodding of Iran. They ignore the fact that Syria, while allied to Iran, maintains 40,000 troops on Lebanese soil and determines what happens anywhere in Lebanon. Thus, rather than acknowledge the reality that Syria is supporting, if not initiating, these hostilities, the policy seeks to deal with Syria as an “honest broker.”

London’s role ignored

Even more alarming is that both the U.S. proposals and Israeli policy ignore the mountain of evidence of Britain’s steering role in Arab and Jewish terrorism in the Middle East; worse, the U.S. State Department has actively suppressed this evidence. Britain, mainly through its Foreign Office “Arab Bureau,” is still skillfully orchestrating the strategic environment in the area, which largely remains a “British-controlled environment.” And that control is being exercised by London by steering not only terrorist groups, but also major regional players: Key for Britain’s orchestrations is Syria and its President, Hafez al-Assad.

When Assad became an ally in Margaret Thatcher and George Bush’s Gulf War coalition in 1990, Bush and Thatcher systematically covered up Syria’s role as the center of a vast apparatus of terrorist assets. Since then, Assad’s game with respect to the Middle East peace process, has been not to commit himself, while pretending always to be very much “interested” in peace. Thus, Assad plays a central role for the British in their strategic aim of obstructing the peace process. (See accompanying statement by U.S. Presidential pre-candidate Lyndon LaRouche.)

In sum, the key to the present crisis in Lebanon is the role of British elites, in partnership with their allies in the region.
and the United States: to not only destroy the peace process, but also to start a process that could very well throw the region into a conflagration, whose intensity has not been seen for a decade. Such a crisis would be aimed at destroying a central foreign policy initiative of President Bill Clinton and could become a decisive factor in his defeat in November.

**Britain declares war on peace**

The crisis did not begin with an allegedly Israeli bomb planted in a Shiite village in South Lebanon, killing one youth; it began with last year’s assassination of Israeli Prime Minister Yitzhak Rabin. Ordered from London, that assassination was carried out by a right-wing extremist with the aid of networks linked to Likud party leader Gen. Ariel Sharon, a well-known British stooge. Killing a key architect of the peace process and an ally of President Clinton, demonstrated that the British and their retainers had crossed all trip wires in their determination to destroy, once and for all, Mideast peace.

While Prime Minister Shimon Peres was able to consolidate a new government, the collapse of renewed peace negotiations with Syria, after the latter walked out, prompted Peres to call for earlier elections, in the hope that a new mandate would strengthen his ability to carry on with his policies. At the same time, considerable progress with implementing Phase II of the Oslo Accord with the Palestinians was made, including the elections for the Palestinian National Authority. The British acted swiftly: They deployed their assets in the Islamic Jihad, who launched four suicide bomb attacks in Israel, which left scores of Israelis dead and wounded.

These bombings dashed the hopes of a comfortable Labor Party victory for Peres’s government, and, further, did more to revive the right-wing Likud than even the millions of dollars in financial aid from Likud’s overseas patrons. Most dangerously, Sharon, a former defense minister, but more recently consigned to the backwaters of Israeli national politics, was brought back into the limelight, winning the number-two slot in the Likud election slate. If the Likud were to win the elections, Sharon would be able to pick almost any ministry he chose, including that of defense.

Significantly, the Israeli government quickly pointed to terrorist networks “based in London” as behind the orders for the suicide bombings, while PLO Chairman Yasser Arafat pointed to collusion between Palestinian extremists and the same Israeli extremists who assassinated Rabin. Yet, several weeks ago, in a public exchange with EIR Washington correspondent Bill Jones, State Department spokesman Nick Burns categorically rejected the idea of holding Britain responsible for recent Mideast terrorism. Despite ample evidence that London is today the world headquarters of international terrorism—including nominally Islamic terrorism associated with such groups as the Hamas military wing, Islamic Jihad, and Hezbollah—Burns insisted that the administration “pre-plans” to focus attention on Iran, rather than on U.S. “ally” Britain.

Apparently getting the message that U.S. State Department would not back a move against Britain, both Israel and the Palestine Liberation Organization soon ceased to vigorously pursue their accusations.

True, the Sharm el Sheikh, Egypt anti-terrorism conference was unprecedented in that both Israel and a significant number of Islamic nations sat at the same table; nonetheless, as LaRouche warned, it would fail unless it dealt directly with the threat posed by Britain. The current conflict in Lebanon is a direct result of that failure.

The fighting now threatens to escalate into a new wave of international terrorism, with the Hezbollah and Palestinian Islamic Jihad threatening to hit Jewish targets anywhere in the world. Even more alarming is the report of a bomb explosion in an East Jerusalem hotel on April 12, the same day that hostilities erupted in southern Lebanon. According to press reports, the bomb exploded prematurely, while an individual, holding a British passport in the name of Andrew Newman, was attempting to build it.

**How Thatcher and Bush whitewashed Syria**

Contrasting sharply with the principles which underlay the peace accords of 1993, the current U.S. policy is drawn from those in the State Department, who, during the administration of George Bush, were the craftsmen erecting the policies culminating in Bush and Thatcher’s genocidal war against Iraq. Integral to creating the regional military alliance capable of crushing Iraq, Thatcher and Bush whitewashed Syria’s role in international terrorism and narcotics trafficking, before welcoming Assad into their alliance in the Gulf war against Iraq.

The most dramatic reflection of this policy, was Bush’s collusion with Thatcher in covering up Syria’s involvement in the Dec. 20, 1988 bombing of Pan Am Flight 103, which blew up over Lockerbie, Scotland, killing 259 passengers and 11 civilians on the ground. Despite massive evidence that the bombing of Pan Am 103 was the work of Syrian-controlled, Damascus-based terrorists, the U.S. and British governments, under Bush and Thatcher, closed ranks to protect Assad. That coverup continues to this day, courtesy of “Bush league” networks inside the permanent bureaucracy at the State Department and Justice Department.

Syria’s role as “honest partner” was rubberstamped in the so-called Taif Agreement signed after the Gulf war. Initiated by George Bush and the British Foreign Office, the purpose of the agreement, signed in Taif, Saudi Arabia, was ostensibly to end the civil war in Lebanon; in fact, it served to legitimize Syria’s claim that Lebanon was part of its “sphere of influence,” if not part of “greater Syria.”

Therefore, it is highly significant that Bush was received in Damascus as a guest of honor by Assad, only days prior to
the outbreak of hostilities in southern Lebanon. Although the details of his talks with Assad have been kept secret, Bush reportedly negotiated an oil exploration deal in northern Syria for the Enron Company of Texas, to which he is linked. Moreover, according to Bush’s office, the former President assured Assad that President Clinton would not be reelected. Bush was accompanied on this trip by Brent Scowcroft, his former national security adviser, and, before that, president of Kissinger Associates, Inc. Their tour took them to most of the countries of the region including Lebanon, Saudi Arabia, and Kuwait.

Prior to his tour, Bush (who had earlier been knighted by Queen Elizabeth) was in London, where the entire Gulf war leadership, including Margaret Thatcher, former British Foreign Minister Douglas Hurd, and former Russian Foreign Minister Andrei Kozyrev, attended the First International Conference on Kuwaiti POWs and Human Rights, bankrolled by the Kuwaiti royal family.

Regional center of terrorism

The identification of Syria as a center of international terrorism and the key spoiler in the current Lebanese crisis, is not sufficient. It is well known that Syria sponsors a host of Middle East opposition and terrorist groups, including the Popular Front for the Liberation of Palestine, Hamas, Islamic Jihad, and the Kurdish Workers Party (PKK), which has been leading a bloody insurgency in southeast Turkey. Nonetheless, Assad plays host at the behest of the British Arab Bureau and other foreign interests. This is illustrated, as we said above, in the coverup of the bombing of Pan Am 103. One reason for the brazen coverup of Syrian involvement was the role of Syrian drug kingpin and terrorist Mansur al-Kassar, whose drug networks at Frankfurt International Airport were implicated in planting the bomb on that Pan Am flight.

Beginning in the spring of 1986, al-Kassar was recruited to work for the Iran-Contra apparatus run by Oliver North under the command of then-Vice President George Bush. Al-Kassar was paid at least $1.5 million by Bush’s “secret, parallel government,” for Soviet bloc weapons that were passed along to the Nicaraguan Contras. As part of the deal between Bush and al-Kassar, Bush loyalists inside the U.S. intelligence community sabotaged efforts by the Drug Enforcement Administration (DEA) to nail al-Kassar for his drug-dealing, as well as for his role in the Pan Am 103 bombing.

Just as the Damascus-based PFLP-GC group of Ahmed Jebril—implicated, along with al-Kassar, in the Pan Am bombing—is operationally controlled by Assad, the Hezbollah guerrillas, operating in southern Lebanon and in the Lebanese Bekaa Valley, are also run by the Syrian regime, on behalf of London’s Arab Bureau.

LaRouche: State Dept. covers up British crimes

Democratic Presidential pre-candidate Lyndon H. LaRouche, Jr. issued the following statement on April 14:

Readers of the publications associated with my work as Contributing Editor for EIR News Service, will recall a recently reported comment by a U.S. State Department press spokesman. In that statement, the State Department deplored the suggestion that Middle East terrorism could be attributed to Britain, that ally with which the United States presumably has the closest sort of “special relationship.”

That State Department opinion was emitted under conditions that a continuing flood of evidence shows the authorship of Middle East terrorism against Israel to originate with organizations whose headquarters are in London. The State Department opinion is that Iran, rather than London, is the source of these attacks.

Hence, since the U.S. State Department refuses to acknowledge the existence of the evidence pointing to London, the State Department implicitly instructs the government of Israel to bomb Lebanon areas indicated to be concentrations of Iran-based Hezbollah.

Already, the government of Israel has found itself pressed to account for injuries which Israel’s attacks have inflicted upon innocent Lebanese. Israel accuses Lebanon of being responsible, for reason of failing to have disarmed the Hezbollah. Why will Lebanon not disarm the Hezbollah? Because Syria’s Hafez al-Assad will not allow the government of Lebanon to do so. In the meantime, Israel does less than nothing to stop the terrorist attacks at the source, London.

Let all the guilty assume the blame they should. As a U.S. citizen, it is my moral responsibility to blame the State Department’s role in, once again, covering up for the crimes of London, just as Secretary of State Christopher has covered up for London’s continuing complicity in the Serbians’ genocide and other atrocities in the Balkans. After all, London’s geopolitical purpose in deploying terrorism against Israel’s Peace Plan, is to shoot down every foreign-policy success of U.S. President Clinton; it is therefore all-too-logical, that certain State Department circles should assist London in Britain’s effort to ruin President Clinton’s policies.
British nobility leaps to defense of Colombia's narco-President Samper

by Valerie Rush

In the aftermath of the March 1 decision by the Clinton administration to decertify Ernesto Samper Pizano's narco-government in Colombia, some political circles in both Washington and Colombia complained that decertification was a rather harsh action to take against a country which was in the process of getting rid of its corrupt President. Now, six weeks later, the headlines about "Samper Still Clinging to Power" are growing stale, and many in both Washington and Colombia are asking, "Why isn't he out yet?"

After all, Samper is personally facing a second corruption probe in Congress, and a number of his campaign aides and cabinet ministers are either in jail or facing imminent arrest on corruption charges. At least 173 congressmen—many of them Samper backers—are under investigation for links to the drug cartels; the country's leading clerics are urging Samper's resignation; prominent businessmen are organizing a nationwide strike against his Presidency; and opposition politicians are urging acts of civil disobedience against his regime. His government has been labelled a pariah by the most powerful country in the world. And yet, Samper is still occupying the Casa de Nariño (Presidential palace) in Bogotá.

A royal pedigree

In the weeks prior to the March 1 decertification decision, EIR issued a special memorandum, "Who Backs 'Certification' of Samper's Government?" which precisely identified Samper's defenders. That memorandum pointed to 1) political forces allied to George Bush and Henry Kissinger; 2) proponents of drug legalization; and 3) the Inter-American Dialogue, a bankers' lobby, as the three groupings in Washington which were fighting against Samper's decertification. The memorandum emphasized that each of these groups "has a lengthy British political pedigree."

The British Empire has now come out in its own name to take up Samper's cause. The British House of Lords held a debate on April 2—the 14th anniversary of that country's war against Argentina over the Malvinas Islands—on whether Her Majesty's government should "make representations" to the Clinton administration over their displeasure with Samper's decertification. Raising the query was Viscount Montgomery of Alamein (son of Britain's Field Marshall Montgomery), who argued, "Surely we should be supporting a country which has made such determined efforts."

Responding was the Minister of State, Foreign, and Commonwealth Office, Baroness Chalker of Wallasey, who emphasized the Samper government's "spectacular successes" against the drug cartels, and claimed that "accusations against certain members of the government of Colombia... are only allegations," despite the mountains of evidence against those "certain members." She even lied that those allegations "came to light as a result of the Colombian government putting vastly additional resources into tackling the drugs problem." She also noted that Britain "enjoys a warm and important trading relationship with Colombia," bringing uncomfortably to mind the "warm and important trading relationship" Britain shared with China in the last century, when the opium trade was at its height.

Baroness Chalker "absolutely" agreed with Lord Pearson of Rannoch that the United States were better off looking at the "deep-seated problems within its own society that cause this demand" for drugs, rather than antagonizing Britain's trading partners with its "black and white" anti-narcotics policy (see Documentation).

Baroness Chalker is well known to EIR readers for her genocidal role in Africa. See, for example, EIR, Sept. 8, 1995, "Baroness Chalker's Minions Are Plunging East Africa Into War."

Anti-'yanqui' feeling

Lady Chalker's comments are coherent with those of British Brig. David Webb-Carter, a former commander of British Royal Forces in Belize who authored a chapter on drug policy for the Royal Institute for International Affairs' 1989 book, Britain and Latin America: A Changing Relationship. Webb-Carter argued that at the time, "A significant effect of U.S. pressure to eradicate illicit drug growing is, nevertheless, an increase of anti-'yanqui' feeling among many Latin Americans who resent the apparent arrogance of their northern neighbor." Elsewhere, the book comments that British authorities "have shown a commendable sympathy for the dilemmas faced by governments in drug-producing countries."

The British are positioned to take full advantage of the "anti-'yanqui'" feeling they themselves are fanning across Ibero-America. A recent joint conference of the European Union and the Rio Group of leading Ibero-American countries was held in Cochabamba, Bolivia, in which British out-
rage at Clinton’s decertification of Colombia echoed again and again through such Anglophile mouthpieces as the government of Bolivia, presided over by a “former” employee of the Crown’s Rio Tinto Zinc, Gonzalo Sánchez de Lozada. Also, British Foreign Secretary Malcolm Rifkind has just concluded the latest of several Ibero-American tours which, according to one Brazilian press account, had drugs at the top of the agenda. It was during the period of this tour that an antidrug cooperation treaty was signed between Her Majesty’s government and Samper Pizano.

Great Britain’s cozy relations with the cocaine cartel-dominated Samper government would be suspect under any circumstances, but are made particularly despicable by the thuggery with which Samper is fighting off any and all adversaries. Last November, his leading political opponent, Alvaro Gómez Hurtado, was assassinated. Those claiming responsibility called themselves “Dignity for Colombia”; Gómez’s family and followers, however, laid the blame squarely at Samper’s doorstep.

In early April, the brother of former Colombian President César Gaviria was kidnapped by the same “Dignity” terrorists. Gaviria, currently the general secretary of the Organization of American States in Washington, is rumored to have been working with the U.S. government to forge an “acceptable” replacement for Samper.

### Chalker: We have excellent relations with Colombia

The following excerpts are taken from a transcript of the British House of Lords’ debate of April 2, 1996; Hansard’s Col. 133-135.

“Viscount Montgomery of Alamein asked Her Majesty’s Government: Whether they agree with the ‘decertification’ of Colombia by the United States.

“The Minister of State, Foreign, and Commonwealth Office (Baroness Chalker of Wallasey): My Lords, how to achieve a reversal of the U.S. decertification of Colombia is a bilateral matter between the United States and Colombia.

“Viscount M. of A: My Lords, that may well be so. But surely we should be supporting a country which has made such determined efforts and is so successful in bringing so many drug barons into custody. Does my noble friend recall that when President Gaviria visited Britain in 1993 it was clear that we had a long-standing and warm relationship with Colombia? The bilateral relationship is extremely important in as much as we have considerable trading and investment interests in Colombia. Is my noble friend prepared to make representations in Washington concerning that arbitrary measure?

“Baroness Chalker of W.: . . . We have excellent relations with Colombia. . . . I can certainly confirm to my noble friend that Colombia has had some spectacular successes against drug traffickers in recent times since President Samper took office, particularly [the arrest of Cali cartel chiefs] . . . and a number of other instances where the authorities did all that one could possibly believe necessary. I note my noble friend’s point in regard to representations.

“Lord Hailsham of Saint Marylebone: My Lords, can my noble friend enlighten my darkness and tell me exactly what is meant by the terms ‘certification’ and ‘decertification’ . . . ?

“Baroness C. of W: My Lords, when my noble and learned friend asks a difficult question, I take careful note. I understand that the United States’ legislation allows that country to take a specific attitude with those they believe have not taken adequate action against drug trafficking. . . . There are accusations against certain members of the Government of Colombia, but they are only allegations . . . it is considered by some in the United States that there is not the full cooperation that there needs to be.

[Labour Party’s Baroness Blackstone clarifies that it is President Samper himself who is being investigated, and asks:) “. . . Was it not inevitable that the U.S. Administration would take action to decertify Colombia? Do [sic] the British Government support the U.S. Administration in taking that decision, at least for the time being?

“Baroness Chalker of W.: My Lords . . . I should underline that these are only allegations; they are not proven. I underline also . . . [that] it is a result of the Colombia Government tackling this problem so energetically that many of the possible takers of drug money have come to light. Until the issue is resolved by the Colombian authorities, nobody can gainsay one way or the other. It may be, because of the ‘black and white’ nature of the [U.S.] Foreign Assistance Act, that that action was inevitable. However, we take the view that it is more important to work in support of Colombia’s counter-narcotics policies than to have such legislation on our statute book.

“Viscount Waverly: My Lords, is the Minister aware that a recent report by the international drug control committee of the United Nations categorically states that Colombia is doing all that can reasonably be expected of it?

“Lord Pearson of Rannoch: My Lords, does my noble friend agree that it is the increasing demand for these drugs, particularly in western societies, which causes their supply? Does she further agree that it might be advantageous if the United States were to look at the deep-seated problems within its own society that cause this demand, a demand which exists in other western societies including our own, and treat those problems with the same vigour that they recommend the Colombians should adopt?

“Baroness Chalker of W.: My Lords, on this occasion I think my noble friend is absolutely right.”
Primakov comes calling, offers new vistas in Indo-Russian relations

by Susan Maitra and Ramtanu Maitra

The March 30-31 visit to India by recently appointed Russian Foreign Minister Yevgeny Primakov has been described in New Delhi by close observers as of long-term significance for both nations. However, the timing of the trip, particularly since Indian Prime Minister P.V. Narasimha Rao was in the middle of intense party squabbles in the run-up to the late-April and early-May nationwide parliamentary elections, was less than auspicious. The poor timing was no doubt responsible for the failure to firm up a common policy on a number of strategic issues.

It is nonetheless evident from the way the talks were conducted, that Primakov’s visit has import and lasting significance. During the talks between the Russian foreign minister and his Indian counterpart, Pranab Mukherjee, both sides took a common stance against the Pakistani involvement in pushing the Taliban movement in Afghanistan. A statement from the Indian Ministry of External Affairs said that both foreign ministers concluded that the Taliban militia “should not be allowed to take an upper hand in Afghanistan.” The “intensive discussion”—as it was described in New Delhi—between the two went beyond the Taliban issue, to other broader issues concerning the area.

The statement did not go unnoticed in Islamabad. Pakistan Prime Minister Benazir Bhutto responded promptly during a policy speech at a banquet given to the “formation commanders” of the Pakistan Army held at her official residence in Islamabad on April 1. Bhutto told the top Army officers present there that India was presently “exploiting the weakness” of the Afghan regime in Kabul, which, in her view, “lacked legitimacy.” She described India’s present moves as “an Indian intrusion into the affairs of the Afghan people.” Bhutto did not cite the Russian involvement, though.

Also noted during the talks between Primakov and Mukherjee, is the concern expressed by both about the rapidly deteriorating Central Asian situation, particularly the growing instability in Tajikistan and Uzbekistan caused by the Afghan civil war spilling across its southern borders. Both Primakov and Mukherjee were in Uzbekistan recently. New Delhi noted that the United States has plans to have a military exercise with the Uzbek Army at the end of this year, making Uzbekistan the first Central Asian nation to have U.S. forces on its soil. The obvious concern here, and perhaps as well in Moscow, is whether such an exercise is a prelude to the expansion of NATO’s operational theater.

From what else has been made public so far, it appears that the visit helped to set up a hot line between the Indian prime minister’s residence-cum-office and the Kremlin, and also to draft an agreement between the Indian National Science Academy, an organization rendered stagnant by lack of vision and dynamism, and the Russian Academy of Sciences. During his two days in Delhi, Primakov met with the Indian President, vice president, prime minister, external affairs minister, and leader of the opposition in Parliament, Atal Behari Vajpayee of the Bharatiya Janata Party (BJP).

Top billing

The visit of Primakov was billed by the Ministry of External Affairs in Delhi as a “major event,” for a number of reasons. Primakov is the first Russian foreign minister to visit India following the disintegration of the Soviet Union. President Boris Yeltsin’s recent signing of a decree enabling his foreign minister to play a coordinating role in the country’s policy formulations in the future, did not go unnoticed in New Delhi. Local press also reported that Primakov’s visit was hailed by the communist Speaker of the Russian Duma, Gennady Seleznyov. Seleznyov’s statement that “friendly ties with India” were “Russia’s spiritual wealth,” and his criticism of the Russian Foreign Ministry for not having been “up to the mark” in fortifying relations with India, were also considered significant.

Secondly, the visit was put in place through the efforts of the Indian ambassador to Moscow, Ronen Sen. Sen was close to the late Prime Minister Rajiv Gandhi and was once chosen to carry a personal message from Gandhi to Benazir Bhutto, then prime minister of Pakistan, with the ostensible purpose of resolving some of the intractable problems between India and Pakistan. The day Primakov arrived, it was revealed that Ronen Sen has been appointed India’s next envoy to Beijing.

It was noted in Delhi that Primakov, unlike his predeces-
Yevgeny Primakov is the first Russian foreign minister to visit India since the disintegration of the Soviet Union.

Sor Andrei Kozyrev, is an orientalist and shares some common views with India vis-à-vis the Arab world. His close connection to the seat of power in Moscow in the dying days of the Soviet Union, and his ability to weather the transition from Bolshevism to the free market, makes him a significant figure. Primakov's decision to bring along his deputy Albert S. Chernyshev, who is expected to be the next Russian envoy to Delhi, was no doubt a clever move. In addition, the imposing presence of Primakov and his past links to powerful institutions in the Soviet Union, make him an important individual in the present Russian context. He was director of the Institute of Oriental Studies for eight years. During Mikhail Gorbachov's Presidency, Primakov was chairman of the Supreme Soviet and an alternate member of the powerful Politburo. He was then known to be in Gorbachov's inner circle. Though the Soviet Union disintegrated and Gorbachov was deposed and forgotten, Primakov stayed close to power, even in such an unstable situation. He was appointed director of the Foreign Intelligence Services (FIS) by President Yeltsin, and later as foreign minister. He now enjoys membership in President Yeltsin's inner circle.

Relations turning around

The Primakov visit to India took place at a time when India-Russia relations, political as well as commercial, were recovering steadily, after going downhill for three years after 1991. Indian External Affairs Minister Pranab Mukherjee, finance minister to the late Prime Minister Indira Gandhi and commerce minister in the Rao cabinet till last year, has played a major role in changing the trend in Indo-Russian relations. On the Russian side, Deputy Prime Minister Yuri Yarov, among a few others, was instrumental in the process of improvement of relations between the two countries. The outcome is not difficult to notice. After hitting an all-time low of $1.3 billion in 1993, Indo-Russian trade rose to $2 billion last year and is expected to cross the $3 billion mark during this fiscal year. In its traditional role as arms supplier to India, Russia has again emerged as a major player. According to the Rosvoorozhenie arms exporting company, last year the two sides signed defense deals worth $1.5 billion, and are currently negotiating new weapons contracts to the tune of another $3.5 billion.

Non-geopolitical friendship

It was obvious that Primakov’s objective was to establish what he said at a press conference in New Delhi: that “India is a priority partner. . . . [Friendship with] India is a strategic goal of Russian policy. It is the kind of relationship which will define the world order of the 21st century.”

Both Primakov and Mukherjee also prioritized building close ties with China. Despite Mukherjee’s statement at the press conference that “Our partnership is not against any country,” the U.S.-baiters among Indian opinion-makers are busy trying to project Primakov’s visit as the beginning of an Entente Cordiale among China, Russia, and India. According to this view, India, Russia, and China are trying to expand their own space in global politics, and are maneuvering to undermine American global dominance.

Such an analysis, however, is as far-fetched as one could possibly imagine. Primakov’s visit to India took place at a time when India and the United States were engaged in the largest-ever naval exercise, code-named “Malabar 96,” off the southwestern Kerala coast. According to reliable sources, the Indian Navy has provided a destroyer, Tupolev long-range maritime survey planes, helicopters, and even Kilo-class submarines for the exercise—all Russian hardware displayed to the U.S. Navy to familiarize them with its capabilities. In addition, New Delhi has few differences with the United States in relevant strategic matters. In economic and foreign policy issues, the Rao government is in perfect harmony with Washington (whether Indians like the policy direction or not, will be clear in the upcoming general elections). The major difference between New Delhi and Washington center around the Nuclear Non-Proliferation Treaty (NPT) and the Comprehensive Test Ban Treaty (CTBT). But, Primakov made it clear at a press conference on March 30 in Delhi, that Moscow’s views on the issues are identical to those of Washington. Beijing has already said the same thing many times over.
‘If we want peace, we must have love of mankind, morality, and music’

by Muriel Mirak Weissbach

The resistance displayed by the people of Iraq to George Bush’s war, and the continuing embargo imposed by the United Nations, has been viewed, correctly, as a symbol of the struggle to defend the nation-state against the dictates of a one-world government. The hardship which the Iraqi population has been subjected to, staggers the imagination. The horror stories on the effects of the embargo on child mortality, for example, which are routinely repeated in the press every time an anniversary of Desert Storm comes by, paint the picture of a population being reduced, physically, psychologically, and morally.

How can a population, despite this suffering, continue to resist? One crucial factor, is culture: that a people identifies with that which its nation has contributed to universal history.

Munir Bashir embodies the continuing contribution which Iraq, and Arab culture more generally, has made to music. It comes as no surprise then, that he should have been invited to perform in Italy, France, Germany, Hungary, and numerous other countries, in the context of solidarity concerts, for the people of Iraq, increasingly since 1991: For, he is the world’s greatest living player of the oud, the stringed instrument which is a precursor to the lute.

Yet, Munir Bashir does not use his music for political propaganda. On the contrary, in discussions like the one he had with EIR, the issue is politics on a higher level: how to define the foundations in art—in this case, music—for understanding among peoples of different cultural experiences and backgrounds. In 1993, he was awarded the Cultural Communication between North and South Award, along with former U.S. Attorney General Ramsey Clark.

Born in Mosul, northern Iraq, in 1930, the young Munir learned to play the oud from his father, continuing a family tradition that went back generations (and continues today, through his son). He studied then for six years at the Institute of Arabian Music in Baghdad, under Sharif-Muhyiddin.

Mr. Bashir’s musical tradition is that of the Maqam, which, he explains, is “an Arabic term which means, literally, ‘sacred or holy assembly,’ assembly of a king or prince, or, by extension, a sacred place.” The term has “become the name of the modal system” which, in its sounds, rhythms, and melodies, has a potentially infinite extension, through “traditional improvisation.” Mr. Bashir’s extraordinary scholarship in the history of this music allows him to play a Maqam from 3,000 years ago, as it appeared in what is modern-day Iraq, and to show the relationship to a similar Maqam rendition, perhaps a half-millennium later, in Persia, and so on. Munir Bashir, who performs the traditional music from Taqsim, the instrumental rendition of the Maqam on his oud, has revived the ancient tradition through both scholarship and absolute technical mastery, while continuing the tradition through improvisations. Through his extensive travel, he has sought out points of contact in foreign musical traditions with his own.

Among the numerous honors he has received, are the following: Honorary Member, Higher Committee for Music, Egypt; Order of Culture, Commander, France; Order of Civil Merit, 1st Class, from King Juan Carlos of Spain; Order of Culture and Arts, Poland; Picasso Gold Medal; Chopin Medal, Poland; Franz Liszt Medal with Higher Diploma, Hungary; Bela Bartok Medal with Higher Diploma, Hungary. He is artistic adviser to the Iraqi minister of culture; secretary general of the Arab Music Academy, Arab League; and vice chairman of the International Music Council of Unesco, of which he is a life honorary member.

---

Interview: Munir Bashir

Following are excerpts from an exchange with Mr. Bashir and Muriel Mirak Weissbach of EIR, in Amman, Jordan.

EIR: Mr. Bashir, your music is well-known not only in Iraq and the Arab world, but also in Europe.

Bashir: Yes, in fact I have performed throughout Europe, especially Germany. I played in Munich many times, and performed concerts in Frankfurt, Baden Baden, Berlin, Hamburg, Cologne, Bonn—in the Beethovenhalle—in Dresden, Weimar, and Eisenach. In Eisenach, I gave a concert at the Bach House. I was the first non-European to play there, and the first to perform on the oud. Most of the people in the audience were nuns. It was a great honor for me, because I loved Bach long before I knew Germany at all. I loved Bach because he was the founder of German music. I love other German composers too, but Bach, and Beethoven, are the two who have had the strongest influence on my art.
Munir Bashir with his wife. Inset: Bashir began playing the oud at a young age, learning from his father a family tradition that went back generations. "You can not have wisdom without music," he says, "because music is creativity."

EIR: How did you come into contact with this tradition?

Bashir: I studied the violin first, and went to conservatory at the age of ten, where I also studied the 'cello. We had Iraqi and Arabic music, as well as European music there, which I loved from childhood. I think it is important for man to have a broad cultural horizon. As an artist, I have my roots in my own art, but I am open to other art forms. Bach is a great spiritual composer, and, after all, he was the inventor of the well-tempered system. Everything in European music derives from this. But, you see, Bach also borrowed from Arabic music.

EIR: Is that true? I have never heard of that before.

Bashir: Yes, although he was German, Bach was influenced by Arabic culture. There were two cultures, that spread this. First, the Byzantine cultural influence, which was fundamentally religious. Most cultural influences come through religion, especially in music. Then there was the Arabic music, which the Arabs brought with them to Spain in 711. Arabic music spread from Spain to France, and from Sicily through Italy, and to Greece, Cyprus, Malta. Arabic music did not remain purely Arabic, but was influenced by the musical tradition of the countries it went through.

EIR: Where does Arabic music itself come from?

Bashir: The ultimate source of Arabic music is very ancient, stretching back to Mesopotamia, to Persia, to the Aramaic tradition, and passed through the Arabian peninsula and Byzantium (via Constantinople). Aramaic music traveled through southern Turkey, especially in the city of Raha, where the special song, known as the makamat Rahawiyya developed. This developed, as well, in the Kurdish regions and in the Orthodox Syrian Church. The music traveled then through Antioch and Syria to Iraq. The Syrians represented about 75% of the Arabs at this time (about 2,000-3,000 years ago), and up to the time of Christ, so, in the old Syrian churches, the music, whether in Haleb, Raha, or in Kurdistan, was all very similar.

The Islamic Abbasids took from this music tradition, and built up our music and philosophy of music. This was what then was communicated to Europe. The central musical instrument, the oud, is what in Europe was later called the lute, or laute in German. They all come from the oud. The biwa of Japan, and the pipa of China, are granddaughters of the lute. The troubador tradition was based on this music; in fact "troubador" comes from the Arabic word "tarab," which means to sing.

This music was to influence Bach later. Bach was the first, in fact, who composed for the solo lute. There is a very close relationship between the music of Bach and the renaissance of the 12th-14th centuries. When I hear Bach, I feel him very close to me.

EIR: This is not something that is generally known or discussed in European circles. Is it among Arabs?

Bashir: The problem of the Arabs, is the European orientalists. They have turned Arabic music history on its head. The reason is, because of the religion, the orientalists were fanatics. Music history was rewritten, as developed by Bedouins. But they had an urban culture too, they had taken the music of the countryside, the mountains and the rivers—if Mesopo-
An intellectual who has no relationship to music is a danger to society. Someone who knows, who has studied science, but has no music, he is no scientist. He is superficial.

tamia had not had a river, there would have been no culture. I will sing something to demonstrate this. This is a Bedouin melody which then was transformed in a Persian version and then reappears in a Byzantine form, but it is the same melody, and it later turns up as an Arabic song. Previously we did not know these things, not because we are ignorant, but because we did not want to know.

EIR: I understand you have done field research, to document some of this music as it has come down to the present day.

Bashir: I have taped a lot of music in the field, for example, of the Sufis. These melodies come out of the Aramaic period, out of the Syrian, Mesopotamian, and Arabic periods, all of them have flowed into Sufi music. I have heard this music everywhere, in Turkey, in Greece, India, Iran; I have visited 52 countries. Since I was a child, I knew how different peoples sang. I had an idea of the universal quality of music. Music is universal, but it has its specific roots in each land. So a Bach, is a German from Eisenach, he’s not a “European.” The history of music that a musician must have is from all music traditions, otherwise, he is not a musician.

In this sense, this ancient music still exists. Because they were philosophers, scientists, and musicians all together. Whoever was an astronomer, a writer, a philosopher, a doctor, had to be a musician in those days, because you can not have wisdom without music, because music is creativity.

Certainly, you can destroy and create cultures. Look at Michael Jackson: Can you compare that to Bach or Beethoven? This is music that enslaves people, and it will fade away. Why did it appear at all? Who brought it? I don’t know, but I know that it is music to destroy humanity. Bach remains. Verdi remains. The symphonic orchestra, over hundreds of years, has only had one instrument added. Bach’s music has had not one note added to it. This is our heritage.

Now this heritage is in danger, and it has to do with politics. There are political forces that want to destroy people, like a mafia, which wants to destroy the spirit of people. As in France, I mentioned that one hears music with the feet not the mind. We have not understood the need to recognize this tendency early enough. In the United States, 60% of the youth are drugged, because they lack the ability to think, to meditate. How did this happen? It’s like the old Chinese torture, with water: The water drips, one drop at a time, to destroy the mind. It is the same, with this music. If we want to talk about peace, we cannot have it without purifying ourselves, without love for mankind, morality, and music.

EIR: What do you think is the fundamental difference between Arabic music and western European music?

Bashir: Our music, Arabic and eastern music, goes back 6,000, maybe even 9,000 years, we have thousands of years of music behind us, whereas in Europe, the renaissance in music took place 300-400 years ago. I’m talking about thousands of years. We come not from one but from many people.

For the European peoples there are two problems: first, after World War II, with pop and rock ‘n roll, musicians wanted to “free themselves” from Bach, but they cannot even reach Bach, much less go beyond him. Thus, baroque music, romantic, and modern music all became fashionable, then they too were gone. In 20-30 years from now, what will be left? Electronic music? The music Europe has now, is music to destroy people.

I believe there is a worldly power, like a mafia, which wants to destroy people. Europe has given itself a new culture, in which machines reign supreme, and man can not exist without machines. There is no spirit in this culture. I have nothing against technology—let it be clear—but you cannot destroy man. The human quality, through art, philosophy and music, is necessary. I believe there will be a return to culture, although it may take years. We will either destroy ourselves, or, with spirit, love, and music, we will recreate culture.

It begins with the education of the unborn. You know, I met a woman, who told me that she educated her child musically while it was in the womb. Everything that a pregnant woman does, what she eats, where she goes, what she hears, will have an effect on her, and therefore on her offspring. This woman listened to a lot of music, hopeful music. The child now speaks six languages! This is something that has been studied over the past 20 years in various scientific centers in Europe. The human mind learns at every age. You know, people say, an old person cannot learn. But that is not true; bring me a 60-year-old and I will teach him music. He doesn’t need to be an artist, he needs only to be open to music.

Our problem as Arabs is, we learn French and English songs, but not the songs from our own culture. Each has to learn his own language before learning others. If I had no musical background, I could not have my own music; I take from all musical traditions, but I have my own.

EIR: Do you think everyone should learn music?
Bashir: Yes: An intellectual who has no relationship to music is a danger to society. Someone who knows, who has studied science, but has no music, he is no scientist. He is superficial. It is like the case of a minister of culture who has no contact to artists. Most ministers of culture have no music. Yet, many doctors, and especially surgeons, study music. Why? When they operate, they have to be precise, they must be totally concentrated. I know a surgeon, who hears profound music when he operates, he is in deep meditation or concentration, which generates hope, even if, medically speaking, there may be no hope. If he has no hope through music, then the doctor will become a beast.

EIR: The great physician Ibn Sina was also one of the greatest minds in music, in the Islamic world.

Bashir: Music which heals is great music, music which comes from man, and from woman, from a beautiful, hopeful voice. I stand by women, they must have their rights. I don’t mean women who want to become men! I am for peace in the world, and therefore fight for the rights of women, of the child, for love of all. It is very difficult to make people understand what I mean. People misunderstand me when I say that women should rule, because they have not studied women. I think a “body-building woman” is a female beast, they want to bestialize women this way. That is not what I mean.

Music is love and is peace. When I was in Mexico, the piece I performed which the audience liked the best was called Amor y Paz: “Love and Peace.” I played 12th-century music for them in a Mexican church. In 1974, I was in Iran, and was the only one to play in a mosque; I played my music. In Córdoba, in Rome, I performed in churches, in Paris and Vienna, at the opera. In Salzburg, I played together with Friedrich Gulda on the clavichord. Wherever I go, I try to use local themes and weave them into my music. In Italy, I played “O Sole Mio,” in a church with 1,000 people. The priest wanted to know how I had attracted so many people to the church. He said, he had only five or six on Sundays. In Mexico, I played Arabic and Mexican music, and showed them the connections, through the Spanish tradition. In Yokohama, I was given a gold key to the city, and was made an honorary citizen. There in Japan, I played Japanese and Arabic music, and the people cried, in a very Japanese way—very loudly. I went to Japan to correct the view they had of Arabs, that “Arab=oil,” and showed them what our music is.

I, Munir Bashir, believe that human beings are influenced by where they live. A peasant from any part of the world will have certain dances, perhaps they come from the movement of his activity in the fields, but there will be a distinct music in his dance, distinct from that of peasants in other regions. Yet, each form of music is subject to influences. Urban cultures are influenced by cultures around them. Each culture shares with those around it, each has its central roots, regardless of the religion, or other factors. We have to work culturally together.

PKK violence makes Germany a theater for surrogate warfare

by George Gregory

This article is translated from the April 3 issue of the German newspaper Neue Solidarität. The violent protest actions and other operations of the banned Kurdish Workers Party are properly viewed as classical irregular or low-intensity warfare, in which internationally coordinated narco-terrorism constitutes a key component of an overall “strategy of tension,” designed to weaken and discredit the institutions of the sovereign nation-state. This theme is further analyzed in the German-language study Strategy of Tension: The PDS, Narco-Terrorism, and the Post-Communist International, published by EIR Nachrichtenagentur in January 1996.

“Up until now the guerrillas have fought in the mountains like regular soldiers. From today on we will also be deploying suicide-commandoes into action. Not just in the mountains, but also in the enemy’s cities, will we heroically advance into battle unto death.” This was the warning of March 22 which the self-proclaimed spokesman for the Kurdish Workers Party (PKK), Abdullah Öcalan, issued to Germany and the United States. “I say this to the U.S.A. and Germany. The enemy [Turkey] is conducting a war of genocide and annihilation. This is not your war, so hands off of the PKK,” he said. Öcalan lives in Damascus, Syria, and sometimes in the Bekaa Valley of Lebanon.

After the latest demonstrations of Kurds on the occasion of the Kurdish New Year’s celebration, the Neuwroz, during which PKK cells attempted, with some success, to provoke violent riots, Öcalan’s words have the ring of a declaration of war in the name of his people and the cause of justice. But, that is not what it is about at all.

Öcalan’s words, like most reports in the media, are propaganda. There were approximately 150 police and border guard personnel who were wounded in the fracas, along with 300 demonstrators, and there were around 1,500 arrests at the demonstrations in German cities. The most violent confrontations between the PKK and Germany’s federal border police took place at the German borders with Holland and Belgium. In those situations, compact agent provocateur PKK units sought direct combat with the police. In general, the tactics
of the police and border guards were able to avoid an escalation of the violence, in which many more would have been wounded. Firearms were not used, although they would have been justified on a number of occasions.

The main PKK activity is terrorizing Kurds

The reason for this police success (about which so little is mentioned), is that the PKK has no real base of support within the Kurdish population in Germany.

The same is true inside Turkey. The Kurdish villages in eastern Turkey, which were stormed by the Turkish Army last year, are still practically depopulated today: The people remain in the mountains or in northern Iraq, because they do not want to get caught between the sledgehammer of the PKK bands and the anvil of the Turkish Army.

In Germany, where it was outlawed as a terrorist association in November 1993, the PKK has a DM 40 million ($27 million) war-chest at its disposal. The PKK obtains most of this money from the approximately 500,000 Kurdish people in Germany, partly by means of the most brutal extortion, partly through drug trafficking, particularly of heroin, which also mostly takes place within the Kurdish community.

Considering such methods as these, there is no difference between the terrorism and organized criminality of the PKK. Europe-wide, according to BKA (the German equivalent of the U.S. FBI) statistics, 60% of those arrested on suspicion of heroin smuggling come “from Turkey.” The PKK has secured for itself a not-insignificant share of this trade. Like the Mafia in Sicily, the PKK counts on the fact that hardly anyone from the Kurdish community will tell the German police anything about PKK crimes. PKK revenge is certain, and it is brutal. That such people are capable of forcing Kurdish women to do things like, for instance, stashing away assault clubs, iron chains, and similar weapons beneath children’s blankets in their baby carriages, is known, because the police in Bonn saw it happening at the Kurdish demonstrations there.

It sounds strange that the PKK represents itself as a spokesman for the Kurdish people, despite the fact that the main activity of the PKK is to terrorize Kurds. That, however, is one of the classical aspects of low-intensity warfare.

‘A typical British game’

The attack of the PKK provocateurs was centrally directed. Orders and instructions regarding the precise assembly locations, etc., were broadcast from Great Britain, where the PKK has the satellite TV broadcasting station MED TV. The facility, which broadcasts daily into Germany between 5 p.m. and 11 p.m., is operated under a license issued by the British government. The license has been protected, despite vociferous diplomatic protests by the Turkish government. Considering that the attacks by the PKK obviously are steered from outside of Germany, the Bonn Interior Ministry issued the diplomatic statement: “We have requested our colleagues in neighbor countries in Europe to put measures into effect in order not to compromise internal security in our country.”

A German intelligence officer stated the point more clearly: “What we are witnessing is a typical British game along the pattern of William Pitt the Elder. Kurds who reside with us are supposed to be bottled up between Turkey, the PKK, and us, and stirred up; the Federal Republic is also to be hemmed in; it is supposed to endure a foreign policy humiliation ... contrived by a terrorist mafia that is steered from London. Typical.”

Part of the political landscape

In London, the activities of MED TV are no secret. British authorities say, of course, that they do not know whether they can do anything against the broadcasting station. An observer in London opined: “The PKK operation is a part of the political landscape here. The PKK also has excellent sponsors, not only in the House of Lords, but even in the House of Commons.” London is an ideal location to serve as a communications center for the PKK, and also as a money-laundering facility for the proceeds from its drug-trafficking.

It is remarkable, how London proffers itself to serve as a center for a whole series of irregular warfare groups. The organizational and logistical centers for the following organizations all can be found there:

- the Algerian Islamic Armed Group (GIA), which was responsible for the bombings last year in France;
- the Armenian Secret Army for the Liberation of Armenia (ASALA);
- the Hamas, which calls itself Palestinian and is utilizing terror against the Middle East peace process;
- the Peruvian drug-trafficking and terrorist gang, Shining Path;
- the Revolutionary International Movement (RIM), which functions as a reservoir or umbrella for terrorists, and could most recently be found at 27 Old Gloucester Street, London, WC IN 3XX.

RIM was founded in London in 1984. Its headquarters and publishers for years had their offices in Nottingham, England, accommodated at the Bertrand Russell House. The RIM journal A World to Win is published by the Russell Press, which is one of the publishing houses affiliated with the Bertrand Russell Peace Foundation.

Shining Path finances itself by means of cocaine trafficking. With regards to ASALA and the so-called “Islamic” groups (GIA, Hamas, and PKK), it is trafficking mostly in heroin and, to some degree, in hashish and marijuana. The members of these groups frequently do not even originate in Armenia, Algeria, Palestine, or Turkey, respectively. They are frequently from Afghanistan, terrorist mercenaries who
once fought in the war in Afghanistan against the Soviet Union, supported, trained, outfitted, and sponsored by Great Britain and the United States.

Turkey is protesting the fact that the PKK operates a TV broadcasting station from England. The German government has appealed to its “European neighbor countries” to interrupt activities which are inimical to the internal security of the Federal Republic; in the past year, the French intelligence services have already pointed the finger at the British headquarters of the GIA. And, Israel is demanding that London stop the support and harboring of Hamas terrorists.

The London press makes no secret of the fact that the British government “will come under renewed pressure from Israel to exert measures against Islamic fanatics who utilize Great Britain as a fulcrum for the planning and support for terrorist operations. . . . Until now, British authorities have, notwithstanding, been evasive about taking any such measures, because in their representations the Israeli government was not able to produce sufficient evidence.”

One can assume that the Israeli government could turn over a mountain of conclusive evidence. Two reporters of the London Sunday Times, David Leppard and Tim Kelsey, are already pointing to cases in which mercenaries from the afghani mujahideen resistance insinuated themselves into the Palestinian organization Hamas, as well as into the GIA, namely, Abu Koutada and Abdulla Anes. The propaganda of the latest issue of Filistineen al-Muslima (Islamic Palestine), which is published in London, bears a remarkable similarity to the “warning” of the PKK chief Öcalan: “Now the time of heroinism is come,” according to this report; and it likewise calls for suicide commandoes.

Security gap in Germany

Among informed observers, the PKK is considered as if it were “under permanent joint-stock company management,” in which the control over terrorist cadre, attacks, provocations, etc., is divvied up between England and some Russian or former Stasi “shareholders.” (The Stasi was the intelligence service of communist East Germany.)

Within the Federal Republic of Germany, the PKK was outlawed as a terrorist organization in 1993. According to newspaper reports, the Cologne-headquartered Federal Constitutional Police is investigating contacts and connections between the PKK and members of the Party of Democratic Socialism (PDS—renamed from the East German ruling communist party, the Socialist Unity Party). In these reports, the name of Rolf Köhne crops up. Köhne is a PDS executive committee member and an elected member of the German Bundestag (federal parliament) representing Lower Saxony who, in July 1995, had supported a call for a Kurdish demonstration with 5,000 participants to take place in Hanover. The Berlin PDS Bundestag member Mario Seelig was quoted to the effect that “there is a very broad agreement of programmatic content” between himself and Köhne, and, accordingly, it appeared to them to be “indispensable . . . to recognize the PKK as a discussion partner.”

The Federal Constitutional Police also registered the fact that another PDS Bundestag representative, Steffen Tippach (from Saxony), employs a collaborator “out of the RAF [terrorist Baader-Meinhoff gang] environment,” who time and again has engaged PKK functionaries “in intensive contacts.”

The leaflet calling for the “Kurdish mass demonstration” in Ingolstadt on March 21 was jointly published by the PDS and PKK.

Police intelligence circles have indicated that the real reason for the escalation of PKK violence is a remarkable series of German police and customs authority successes in cracking down on the Balkan route narcotics-smuggling route.

At present, state-level offices of Germany’s peculiarly decentralized Constitutional Protection Service, have no authority to initiate placing the PDS under surveillance in their regions. So far, the mandate to do so has been put into effect only in Berlin and Bavaria, while the terrorist apparatus operates nationwide—actually, internationally. The unanswered question of whether this narco-terrorist irregular warfare apparatus can be uprooted, hinges upon whether such a mandate is about to be given in the other parts of Germany soon, or whether the threat of disintegration of Germany’s sovereignty and security is to be challenged at all.

Toward a New Council of Florence

‘On the Peace of Faith’ and Other Works by Nicolaus of Cusa

The Schiller Institute has just released this new book of translations of seminal writings of the 15th-century Roman Catholic Cardinal Nicolaus of Cusa, who, through his work and writings, contributed more than anyone else to the launching of the European Golden Renaissance. The title of the book, Toward a New Council of Florence, expresses our purpose in publishing it: to spark a new Renaissance today.

• 12 works published for the first time in English
• New translations of 3 important works

Schiller Institute, Inc.
P.O. Box 20244 Washington, D.C. 20041-0244 phone: 202-544-7018

$15 plus $3.50 shipping and handling

April 26, 1996
Will the Anti-Defamation League’s terror apparat finally be crushed?

by Mark Burdman

It was ten years ago, that EIR released one of its most devastating Special Reports: “Moscow’s Secret Weapon: Ariel Sharon and the Israeli Mafia,” a 126-page report which provided a road map for comprehending what might best be termed the “international underworld.” Almost exactly ten years since the report first appeared, on March 1, 1986, Ariel Sharon has burst back onto the Israeli and international scene, riding the crest of revulsion against terrorist atrocities committed by an organization, Hamas, that he himself had originally helped bring into being in the late 1980s.

The 1986 report documented how Israel’s former Defense Minister Gen. Ariel “Arik” Sharon, would-be “King of Israel,” was at the dead-center of a nexus of dirty financiers, drug-money launderers, criminals, terrorists, and religious sectarians, all with close links to the right-wing extremist Anti-Defamation League of B’nai B’rith (ADL) in the United States.

An introduction by Lyndon LaRouche, and subsequent chapters, revealed the “higher levels,” the string-pullers, behind the ADL and Sharon, centered in a British-dominated East-West configuration known as the “Trust.” The “Trust” might best be understood as the international oligarchy’s controlling agency, in the management of the contemporary form of a global imperial system. LaRouche stressed that the “wealthy financier family-interests” that comprise the Trust, have been the common “mother” for the Bolshevism of the Soviet Union, radical movements more generally, and the variant of Zionism developed by Vladimir Jabotinsky, founder of the Irgun—the variant of which Sharon is a chief representative today. These interests are, historically, traceable to the maritime Venetian empire of earlier centuries, mediated, in the past couple of centuries, through “powerful Swiss banking families in Geneva and Lausanne,” with support from the East India Company-centered operations of the British Empire.

While the Soviet Union has since disappeared, the core concepts contained in the 1986 work, continue to be of undiminished relevance, in view of Sharon’s reemergence over March and April. If relevant powers in key Western nations, especially the United States, had taken the findings of the EIR Sharon report with greater seriousness, many lives, and needlessly shed blood, might have been spared.

The return of Sharon

The Hamas terrorist bombings occurred on consecutive Sundays this year, Feb. 25 and March 3. By March 5, Sharon was declaring, “We have to create a government of national unity,” and was promoting himself as defense minister in such a government. He negotiated a new alliance among feuding factions in Israel’s opposition Likud Party bloc, now suddenly brought together in opposition to the Clinton administration-backed Israeli-Palestinian peace process. As one Israeli source told this correspondent on March 5, “Sharon is now in his element.” Within a matter of days, Sharon was made number two on the electoral slate of the Likud Party, for the national elections scheduled for May 29.

In the United States, the drumbeat was typified by a March 15 article in the New York City publication Forward, a Zionist neo-conservative weekly, entitled “Calls Arise for Return of Sharon, A Warrior Who Took on Terror.” Forward featured an interview with the obese “King Arik,” and numerous of Sharon’s U.S. adherents, calling upon Prime Minister Shimon Peres to make Sharon the head of his office of “Terror Against Terror.”

Such posturing, by Sharon and the “Sharon Lobby” in Israel and abroad, is true chutzpah: It was Sharon himself, who largely brought Hamas into existence in the first place, in the late 1980s, to employ them as a “countergang” against the Palestine Liberation Organization. In his Forward interview, Sharon virtually admits that Hamas has served as a type of Israeli asset, charging that the Peres government’s abandonment of certain occupied territories, had allowed Arafat’s Palestinian National Authority to crack down on, or eliminate, Palestinians who had “helped us” in the past.

The relationship of Hamas terrorism and Sharon’s political fortunes, has always been “symbiotic.”

As of this writing, certain Israeli forces are, again, moving to neutralize Sharon’s influence, among them, Likud prominent Benny Begin, son of the late Prime Minister Menachem Begin. Benny Begin has come forward with sworn testimony,
that in 1982, when Sharon was defense minister in the Begin government, Sharon lied to Begin about his real intentions, in launching the bloody and self-defeating Israeli invasion of Lebanon. Such revelations may go some way to prick Sharon’s balloon. However, this alone is unlikely to be enough to stop Sharon, especially since, as we will demonstrate, what he does or doesn’t do, is not a function of Israeli internal politics. Sharon is a controlled asset of very powerful international forces. Charting his movements is a “red dye” for evaluating how the “international underworld” operates.

Protected in high places

As has been recently documented in other locations (such as the campaign white paper, “Assault on the Presidency,” published in April 1994 by the LaRouche Exploratory Committee), many of the same creatures described in our 1986 Sharon report have, since then, been at the center of death threats and political assassination campaigns against President Bill Clinton. Some of the controllers of the potential assassins of Clinton are part of the same apparatus that was behind the November 1963 murder of President John F. Kennedy. It was precisely this network, which formed the political and ideological support apparatus for Baruch Goldstein, who slaughtered 28 Muslims in a mosque in the West Bank town of Hebron in February 1994; a review of the Sharon report’s section on the Jewish Defense League/Jewish Defense Organization, leaves a sense of déjà vu about “who” and “what” was involved in Goldstein’s massacre. Sharon himself has been a chief fundraiser for the “settlers’ movement” that was Goldstein’s base of operations.

It is this complex, which continues to be the main terrorist threat in the Middle East, a fact underscored by the Nov. 4, 1995 assassination of Israeli Prime Minister Yitzhak Rabin, and by the allegations by Yasser Arafat and his senior aides that the same “Jewish extremist” elements behind the murder of Rabin have developed operational coordination with Hamas. Gen. Rehavam Ze’evi, a key figure whom Arafat has named in the past days for suspected links to Hamas, is identified in the Sharon report as a “godfather of the Israeli Mafia” deeply implicated in British-directed destabilizations in the region.

Sharon’s networks should long ago have been dismantled, and the protagonists, including “King Arik” himself, effectively neutralized. Short of such measures, taken belatedly now, it can be safely forecast, that the Middle East will be submerged in chaos, and all hopes for a lasting peace drowned in blood. But as the Sharon report had already shown then, a main obstacle to the necessary decisive action, is that they have been protected by officials in government, not only tainted officials in Israel but also key figures in the U.S. Department of Justice (particularly the department’s so-called Office of Special Investigations, or OSI) and the FBI. This is the same corrupt, permanent DOJ-FBI bureaucracy, closely interfaced with top ADL figures, such as organized crime-
linked lawyer Kenneth Bialkin, which has carried out the judicial witch-hunts against Lyndon LaRouche, John Demjanjuk, elected African-American officials, and others. Until that "official" apparatus is (minimally) retired to private life, the "Sharon network" will be free to commit mayhem, in the Middle East, in the United States, and elsewhere.

Jewishness as ethnicity

The Sharon report demolishes the delusion, all too prevalent in certain quarters around the world, that Sharon is a representative of the interests of the nation-state of Israel, or, a representative of Jews or the religion of Judaism as elaborated by Moses. Sharon’s "Jewishness," like that of his ADL cronies, is a purely tribal notion, one of the more exotic varieties of the "ethnicity" that have become so fashionable.

Some of the specific "ethnographic"/"Jewish identity" operations involved here, are documented in the Sharon report’s latter section.

Sharon’s vision for Israel effectively establishes Israel as a pawn, in a British geopolitical game. Understanding this is most useful in debunking the mythology, to a significant extent nurtured by Sharon himself and by his cronies in the ADL and related circles, that they are the string-pullers, the supposed masters of an Israeli "New Venice," controlling the direction of world events as the original Venice had done earlier in history. The reality is, they are just puppets, on a string pulled from London, the headquarters of the modern-day reincarnation of Venice. The Sharon report definitively repudiates the populist mythologies about a sinister "world Jewish conspiracy."

A British pedigree

As we documented in the 1986 report, everything that matters in Sharon’s career, and in his circle of intimates in the Irgun-Jabotinsky faction of Zionism, is thoroughly British. Here, we recapitulate the *curriculum vitae*.

A fulcrum point in Sharon’s career, was his 1957 studies at the Camberly Staff College in Britain. By that time, young Sharon had already become notorious, for running the so-called “Unit 101" squads, which carried out atrocities against Palestinians, supposedly in retaliation for Palestinian incursions into Israel. During 1955-59, his close chum, Rafael ("Dirty Rafi") Eytan, was stationed in Britain, as the Mossad liaison to British intelligence.

The Eytan link places Sharon into the ambit of the nastiest among British intelligence operations. In the early 1970s, when Sharon formed a new political party, Shlomtzion, and ran for the Israeli Knesset (parliament), his campaign manager was Dirty Rafi Eytan. Around this time, Eytan began to work for an intelligence agency-linked outfit, run by one Amnon Barness, who, in 1958, had been a major solicitor of investment for a newly formed company, the Permindex Corp. As the Sharon report points out—and as *EIR* readers would know—Permindex was the organization which was expelled from Switzerland after repeated assassination attempts against French President Charles de Gaulle, and was the organization investigated by New Orleans District Attorney Jim Garrison for involvement in the assassination of John Kennedy. Permindex chairman Maj. Louis Bloomfield, of Canada, was the attorney for the ADL’s Bronfman family, and a key "handler" of Israeli intelligence personnel on behalf of the British secret services.

Another important British-ADL "hook" into Sharon is Meshulam Riklis, the (recently bankrupted) organized crime-linked wheeler and dealer. It was Riklis who originally bankrolled Sharon’s political career. According to the *EIR* report, Riklis was “known to be working for British intelligence” in the late 1940s. His meteoric rise from being a schoolteacher, to top figure in shady international finance, was sponsored by Minneapolis grain merchant Burton Joseph, one-time chairman of the ADL.

One of Sharon’s biggest supporters deserves special note: Britain’s Cyril Stein. Back in March 1986, at the time the Sharon report was published, Stein was chairman of the board of Ladbroke’s gambling house, described as "the private bet-

---

**Moscowitz and Eskin today**

Ariel Sharon is not the only creature to jump out into the headlines today, from the pages of *EIR*’s 1986 Sharon report. Irving Moskowitz is at the center of controversy, because of his attempts to extend his crime-linked gambling operations into the Los Angeles area. The money gained from such illicit activities, it is known, is channelled into various Zionist extremist, pro-terrorist groups. Associates of Lyndon LaRouche have joined with activists from greater Los Angeles Hispanic-American and African-American organizations, to stop Moskowitz’s moves into this area.

Another interesting case is that of Avigdor Eskin, the Russian Jewish son of a colonel in the Soviet GRU, or military intelligence. Sometime between 1986 and 1996, Eskin founded an office of the Jewish Defense League in Moscow. In March 1996, Eskin was arrested in Israel, as he attempted to board a plane for Moscow. He was charged with conducting a rare cabbalistic ritual against Prime Minister Shimon Peres. He had conducted a similar ritual, whose object is to ensure the death of the person targeted, outside the house of Prime Minister Yitzhak Rabin last year. A Tel Aviv district judge rejected Eskin’s appeal to remain free on bail, charging that the ritual was "an act of sedition."
The case of Edmond Safra

Banker Edmond Safra, a frequent figure in the EIR report, is typical of the *dramatis personae* who are more notorious today, than ten years ago. In 1986, we identified Safra as the “chief financial godfather of the Syrian Jewish community, now relocated to Brooklyn, New York.” In the mid-1980s, Safra won a court suit, and proceeded to donate $1 million of his earnings to the ADL.

Since the issuance of the Sharon report, especially following the Nov. 4, 1995 assassination of Prime Minister Rabin, Safra has become a center of controversy in many nations. It is not to be excluded, that he will be finding himself in serious legal and related troubles in the not-distant future: Most explosive, was the revelation that Safra was the financial patron of the Rabbi Avraham Hecht, who uttered prayers for the death of Rabin, in the weeks before the assassination. For this, Safra has drawn opprobrium from Jews, in both the United States and Israel, and from others interested in peace in the Middle East.

Meanwhile, he is involved in a bitter legal fight in Israel, with former associate Jack Nasser. That, too, could land him in big trouble.

Safra’s activities are also in the middle of serious debate among U.S. law enforcement agencies, regulators, and Congressional oversight committees. The story is this: Safra’s Republic National Bank in New York City has historically worked closely with the New York Federal Reserve (see *EIR*, Feb. 6, 1996, “New York Fed Is in Bed with Safra and the Russian Mafia”). Largely through Safra’s bank, during 1994 and 1995, some $40 billion, sold on seignorage basis, have been sold to Russian banks and their customers based in Moscow. Russia’s dollarized gray- and black-market economy is largely in the hands of mafiosi and “former” KGB intelligence operatives and is characterized by tax fraud, usury, illegal export of raw materials, and the laundering of Western drug money, as well as the usual racketeers of prostitution, extortion, etc. The matter is being debated in the U.S. House Banking Committee.

Safra’s problems also derive from a “spin-off” operation from his financial empire. A derivative of the Safra banking and financial empire, is the murky Union Bancaire Privée (UBP) of his former school-chum in Lebanon, Edgar de Picciotto. UBP has been under investigation in the United States, South Africa, and Switzerland, for money laundering. For the time being, UBP has been authorized to participate in a buy-up of a major Brazilian bank, Banco Excel. This case involved massive national debate in Brazil, with the De Picciotto and Safra clans coming into the spotlight, and with the friends of UBP accusing *EIR* of masterminding the anti-UBP campaign.

One part of the De Picciotto web, is a shadowy consulting firm based in Geneva and Paris, called Geopol. Geopol’s chief, Pierre Hafner, is currently in a Swiss jail. A Geopol board member, Hans Kopp, who has been at the center of a number of scandals in Switzerland, has recently been denied the right to practice law that country. The head of Geopol’s Paris office, one Laurent Murawiec, was formerly a correspondent for *EIR*. Interestingly, his break with *EIR* began, to a significant extent, when he raised hysterical objections to the Sharon report, and did everything in his power to impede and obstruct its circulation in Europe and the Middle East: More precisely, under the cover of such “objections,” Murawiec was looking over the cast of characters included in the report, as his potential future employers! Obviously not a very secure employment, in view of the fate met by his friends these days.

From Jack the Ripper to Ariel Sharon

Sharon’s British pedigree is further brought to light if we move from the British connections, to Sharon’s direct involvement in several of the British Empire’s most important destabilization operations in the Middle East. The best
known, without doubt, is his commanding role, as Israeli defense minister in 1982, in the extremely bloody Israeli invasion of Lebanon. It is no accident that that invasion occurred soon after Britain’s seizure of the Malvinas Islands in the South Atlantic, from Argentina. Both were part of a British strategy to militarize the areas south of NATO’s traditional view, and to implicate the United States and other Western nations in “North vs. South” wars against developing sector nations.

Two other important British-directed operations are detailed in the Sharon report: the “West Bank land scam” and the plot to “rebuild the Temple of King Solomon” on Jerusalem’s Temple Mount, where the Al-Aqsa Mosque is located.

The West Bank land scam was an elaborate scheme for transferring important land to Sharon-related interests, as part of a more general process of arranging Israeli annexation of key West Bank lands, in order to relocate hundreds of thousands of Soviet Jews. The overall scheme involved high-level Soviet-Israeli channels of discussion, highlighted by a meeting of Sharon with Soviet GRU (military intelligence) officials in Cyprus, in 1981. Other Soviet-Israeli arrangements were worked out through the mediation of such “Trust” figures as the late Occidental Petroleum magnate Armand Hammer and Seagram’s liquor chief and World Jewish Congress head Edgar Bronfman.

During 1982, there were several different sessions in which the land scam was discussed. The first was at Sharon’s ranch, which had been bought for him by Meshulam Riklis. At the various sessions, one or all of the following individuals were present, among others: Sharon, Henry Kissinger, Harry Bloomfield, General Ze’evi, “Dirty Rafi” Eytan, the late Lord Harlech (David Ormsby-Gore), and Lord Peter Carrington. The presence of the last two underscores the high-level British patronage of the illicit scheme.

Consistent EIR exposés of the land scam, beginning in 1982, went a significant way to aborting the more nefarious features of the arrangement from being implemented.

As for the second of the two indicated operations, the Sharon report brought to light that the controlling force behind the plan to “rebuild the Temple of Solomon,” is the Quatuor Coronati “research lodge” of the Mother Lodge of British freemasonry, the United Grand Lodge of England, headed by the Duke of Kent. The mythos of British freemasonry very much revolves around a cult of Solomon’s Temple. The modern-day project for “rebuilding the Temple” goes back to the 19th century, with direct promotion from the British royal family. In 1862, the Prince of Wales made a highly unusual trip to Palestine, trying to bring this region into the British Empire, in order to secure key land and sea routes to the crown jewel, India. Following that trip, the British founded the Palestine Exploration Fund (PEF). Two of its original members, Sir Walter Besant and Sir Charles Warren, were among the nine founding members of the Quatuor Coronati lodge. Warren was head of the Metropolitan Police during the investigations of the “Jack the Ripper” murders, and at the center of a freemasonic conspiracy to cover up British royal family implication in crucial aspects of that bloody affair!

The most explosive sections of the Sharon report show how the British monarchy remains the controlling force, up to the present time, in the conspiracy to “rebuild Solomon’s Temple.” The report extensively documents the chains of command in this operation, from the highest British levels, through such Syrian Jewish financiers as Edmond Safra (see accompanying box), and down to the gutter level of terrorists.

In this context, the report reveals a crucial channel of British pollution of the Israeli security services, and one that need be kept in mind, in understanding the “security lapses” that permitted the murder of Rabin. The nerve center, in and around Israel, of agitation for “rebuilding the Temple,” is an educational school, or yeshiva, called Ateret Cohanim. The Sharon report had already spotlighted, ten years ago, that several leading “priests” at Ateret Cohanim, were members of Shabak, the Israeli internal security service!

Again, these are Sharon’s babies. The top U.S.-based bankroller of Ateret Cohanim is Florida wheeler and dealer Irving Moscowitz. In a mid-1980s discussion, Moscowitz had confided: “Sharon is the King, a visionary. A great man. His time will come” (see box p. 58).

---

**EIR Audio Report**

**Your weekly antidote for New World Order ‘news’**

Exclusive news reports and interviews

Audio statements by Lyndon LaRouche

Updates on: • The Real Economy
• Science and Technology
• The Fight for Constitutional Law
• The Right to Life
• Food and Agriculture
• The Arts
• The Living History of the American Republic
• Essential Reports from around the Globe

$500 for 50 Issues

An hour-long audio cassette sent by first-class mail each week. Includes cover letter with contents.

Make checks payable to:

**EIR News Service**

P.O. Box 17390, Washington, D.C. 20041-0390

Phone: (703) 777-9451 Fax: (703) 771-9492

---

EIR April 26, 1996

International 61
**Mulroney case a Canadian landmark**

Former Tory Canadian Prime Minister Brian Mulroney will be questioned in a Montreal courtroom in April regarding his $50 million libel suit against the Canadian government, reported the Daily News Internet service April 12. It promises to be a dramatic high point in a case that is fast on its way to becoming a Canadian legal and political landmark.

The former prime minister is suing the government and Royal Canadian Mounted Police (RCMP) for suggestions that he received kickbacks in the $1.8 billion sale of 34 jetliners to Air Canada by Airbus Industries in 1988. It is the first time that a former prime minister has made such a court appearance. Three days—April 17, April 20, and April 27—have been set aside for a pretrial process known as examination on discovery.

---

**Why Russian science is at a standstill**

In an interview published in Argumenty i Fakty, No. 14, April 1996, with Academician Vitaly Goldansky, who is an adviser of the Russian Academy Sciences, interviewer Natalya Zhelnorova asked why Russian science is at a standstill. Goldansky replied: “Our science is wrestling with Hamlet’s question: To be or not to be. On the one hand the dismissive attitude of the authorities toward the vital interests of basic science and the risible (laughed through tears!) level of appropriations for science are increasingly obvious. On the other, the sharp decline in the prestige of science and scientists in society, and instead of being a panacea, science has come to be regarded as the source of all troubles.”

The interview concluded with the following: “I wondered whether a rank-and-file scientist who had made, in his opinion, an outstanding discovery which shook science’s foundations could evoke interest among the leading lights of science and obtain their support,” writes Zhelnorova. “The academician’s response was as follows. If the question dealt with the ‘holy of holies,’ the principal axioms and theorems of physics and mechanics, that is, no respectable scientist would either try to grasp or investigate this ‘discovery.’ If with something small-scale and clarifying, certainly, but big things—do not enroach. ‘Perhaps this is why we have few striking discoveries and sensations? Or perhaps it is good like this for venerable scientists—all is clear and comprehensible?’

Goldansky also criticized the “bureaucratization of scientific and pseudo-schience,” saying that when the media “serve up various pieces of twaddle, this is depressing, of course. Bio-fields, telekinesis, astrology, ESP, Filipino medicine, the other world, in which time moves backward, deflection of the flow of elementary particles by the power of thought—there is no limit to this claptrap, to which, unfortunately, perfectly respectable people and the news media are no strangers at times.”

---

**TB rise reaches alarming rates in Russia**

Since 1991, the rates of tuberculosis infection in Russia have been growing steadily, rising in 1994 by 42% among adults and by 62.2% among children. Izvestia reported on April 11. In absolute numbers, it reached 48 per 100,000 in adults and 12 per 100,000 in children. The most affected age group is 40-59, with rates in males being three times higher than in females. Rural inhabitants are affected 10-15% more often than urban population. The mortality rate among patients increased to 87% and comprised 14 cases per 100,000 in the general population in 1994.

“At the Carthage meeting, John Paul II paid tribute to the spirit of tolerance he said had allowed Christianity to survive in the overwhelmingly Muslim country. He said dialogue between Christians and Muslims had to be inspired by a real desire to know and accept one another and by a common responsibility to protect life and human dignity and to speak up for the weakest members of society. “The opening to each other is, in some way, an answer to God who admits our differences and wants us to know each other more deeply,” the pope said.

At the meeting with bishops, the pope said, “No one can kill in God’s name, no one can accept bringing death upon his brother,” addressing bishops from Algeria, Libya, Morocco, and Tunisia. “Show your conviction that God is the God of life, that He seeks the life of man and not his death.”

The pope’s spokesman, Joaquin Navarro-Valls, called it “another step in his continued opening to Islam” after visits to other predominantly Muslim countries in Africa and Asia. Navarro-Valls noted the pope’s own frequently expressed dream to mark the Jubilee year 2000 with a pilgrimage to the Biblical lands of the Middle East in the footsteps of Abraham and Moses.
frequency is 50 times higher than the average in the country. 

Izvestia also noted that the system of preventive treatment of tuberculosis, which was well developed in the Soviet Union, collapsed after 1992, when the Russian Supreme Soviet adopted legislation on self-management, i.e., legislation that proposed that health care be financed from local budgets.

**Brazilian ‘landless’ clash with military**

A confrontation between members of Brazil’s “Landless Movement” (MST) and military police, during a demonstration in the state of Minas Gerais, left five people wounded, Brazilian newspapers reported on April 10. Police arrested 15 of the demonstrators, including a priest, for refusing to obey a judicial order not to carry sickles (as in the communist emblem, hammer and sickle) and other farm tools during their demonstration, part of a national march for “agrarian reform.” The “Landless” had defied the judicial order, arguing that the sickles were merely agricultural implements.

“Those tools, in an urban setting, are very dangerous weapons, used by the ‘Landless’ to intimidate anyone who stands on their way,” replied police Colonel Couto. The incident in Minas Gerais is part of a national offensive being waged by the MST and their controllers in the CUT labor federation, which is in turn controlled by the Workers Party (PT) of the narco-terrorist international run out of Castro’s Cuba, known as the São Paulo Forum.

**New world order to grab more of Colombia?**

Retired Army general and former Presidential candidate Alvaro Valencia Tovar penned a column in the daily El Tiempo on April 12 warning that the efforts of non-governmental organizations (NGOs) to bring international observers and negotiators into the terrorist-wrecked northwest region of Uraba, could lead to Colombia’s losing that region, just as it lost Panama nearly a century ago.

Echoing the longstanding warnings of the Ibero-American Solidarity Movement, founded by co-thinkers of Lyndon LaRouche, that the "new world order" is trying to separate this strategic region from Colombian territory, Valencia Tovar wrote that Uraba contains the Atrato and Trunánd rivers, which cross that narrow isthmus just below Panama, and which invite the construction of a series of locks which would enable it to complement, or replace, the obsolescent Panama Canal.

However, Valencia warns: “If the guerrillas were truly a patriotic force inspired by service to the highest national interests, they would not persist in sowing chaos and terror in what they aspire to turn into a ‘liberated region.’ We could lose Uraba any day, just as we lost Panama.”

**Major drug depot found in Kazakhstan**

Kazakhstan customs officials and members of the State Investigation Committee intercepted a major narcotics shipment base in Almaty, arresting several members of a Kazakh-Tajik drug-smuggling ring and seizing large quantities of raw opium and marijuana, Itar-Tass wires reported on April 8.

The base was part of a route that runs from Pakistan and Afghanistan, through Central Asia, and on to Russia and other former Soviet states. A State Investigation Committee official told Itar-Tass that an arrest in March at Almaty Airport of a number of Tajik citizens, who had more than 12 kg. of raw opium and 5 kg. of hashish valued at more than $1 million, led to the later arrests at the Almaty base. Drug-smuggling rings are increasingly using Kazakhstan as a transit country, because it has good air links with other former Soviet countries and eastern Europe.

The use of narcotics as a means of destabilizing Central Asia was featured in the April 12, 1996 EIR cover story, “British Monarchy Rapes the Transcaucasia—Again.”

**SPAIN’S wealthy northeastern region of Catalonia, which holds the balance of power after inconclusive national elections, wants a special status similar to Quebec Province in Canada. Catalonia’s president Jordi Pujol made this remark to a newspaper in the Catalan capital of Barcelona on April 12.**

**RUSSIAN President Boris Yeltsin denied reports on April 12 that he had ordered a halt to demarcation of the border with China, which first came out in a radio interview given by the governor of the far eastern Primorsk region, Yevgeny Nazdratenko. Yeltsin suggested that Nazdratenko, who has often been at odds with Moscow, consult a doctor.**

**HIGHEST ECHELONS of the British establishment, centered around the Queen’s Privy Council, have decided that new elections should be held on Oct. 10 in the United Kingdom, a Russian source with high-level ties in Britain told EIR.**

**NARCO-SATANISM is a good subject for study during the Easter season, advised Colombian columnist Reinaldo Delgado López in a column for El Nuevo Siglo published April 15. He recommended reading the Spanish edition of Dope, Inc., saying that the book on the international drug cartel was written by EIR investigators under the direction of Lyndon LaRouche. LaRouche’s name is rarely mentioned in Colombia’s media.**

**AN ARCTIC COUNCIL, brain-child of Prince Philip, which aims to turn the Arctic into one of the largest “native preserves” on the globe, was agreed upon between Canada’s new Foreign Minister Lloyd Axworthy and his Russian counterpart, Yevgeni Primakov, during talks in Moscow in early April.**
As the 1996 U.S. Presidential primary season moves into its final phase, Democratic Party Presidential pre-candidate Lyndon H. LaRouche hit the national airwaves warning of an impending worldwide economic and financial collapse. In an April 18 CBS-TV broadcast, LaRouche presented a discussion of the growing global crisis which must be heeded if the world is to survive. As he put it, the broadcast centered on "U.S. foreign policy as it should have been presented. But you never heard it this way before." LaRouche warned that the financial system is about to disintegrate because the hyperbolic growth of speculative instruments, such as derivatives, is sucking the life out of every corner of economic life. This "Dracula-like" process must end, LaRouche asserted, or the world will suffer incalculably.

"The international monetary and financial system is bankrupt," stated LaRouche, and the only solution is for relevant governments of the world to put the international monetary system into financial receivership and bankruptcy reorganization, to prevent social chaos and ensure stability. "The central issue facing the President of the United States," said LaRouche, "is to put the Federal Reserve into bankruptcy reorganization."

LaRouche's support grows

LaRouche's April 18 address was the third nationally televised campaign briefing which he has given to the U.S. population this year. And the population has been responding to his message. To date, LaRouche has garnered more than 366,000 votes in 16 primaries. In eight of these primaries, LaRouche's vote totals ranged from 7% (in California) to 34.5% (in North Dakota). In the latest round of electoral activity, LaRouche won 71 out of 3,500 delegates to the Virginia state Democratic Party convention in caucuses on April 13 and 15. Significant were the votes in LaRouche strongholds: 22% of the vote in Norfolk, 20.8% in Loudoun County, 18% in Virginia Beach, 15% in Portsmouth, and 15% in Hampton.

Despite a media blackout so massive that it could have been run by Goebbels himself, these results show that LaRouche has a base of support of at least 10% within the Democratic Party, and that he is a political force that must be reckoned with.

LaRouche, whose economic and political solutions to the crises now gripping the world are being intensely studied in policy-centers around the globe, is shaping the policy fight now raging within the Democratic Party. In a Pennsylvania press conference April 4, LaRouche described that fight as follows: "Nationally, the Democratic Party is engaged in an internal struggle, as well as a struggle against the Armey-Gingrich philosophy within the Republican side. . . . This is more than an election campaign. This is a struggle over the policy of the country in a period of crisis. So the policy issues are not appendages of an election campaign."

Fowler strategy undermines Clinton

LaRouche has warned a number of times that, despite his apparent lead over Republican Bob Dole, President Clinton could, in fact, lose the general election in November, if he continues to follow the campaign strategy that the wing of the Democratic Party led by Democratic National Committee Chairman Don Fowler has defined for him. Moreover, LaRouche has cautioned, even if Clinton were to be reelected, should he allow the DNC strategy to prevail in his second term, he will lose Congress and be unable to effectively lead the nation in a time of crisis.

For LaRouche, the economic issue not only has resonance in both the foreign and domestic area, but it is the most crucial issue that every political leader must face up to. Clinton, LaRouche maintains, will, sooner or later, have to face the worst financial and monetary crisis of the century.

Together with several other Democratic officials linked to the Anti-Defamation League (ADL), notably Anne Lewis in the Clinton reelection committee, Fowler has laid out a
Senator Kennedy introduces ‘Corporation A’ tax code

Sen. Edward Kennedy (D-Mass.), who has been leading efforts to reorient Democratic Party policy, introduced tax legislation on April 15 intended to discourage layoffs resulting from mergers, the April 16 New York Times reported. The package includes several provisions of the “Corporation A” concept, designed to reform corporate behavior to act in the public good, put forward by Sens. Thomas Daschle (D-S.D.) and Jeff Bingaman (D-N.M.). “The ‘quiet depression’ facing American workers is the central economic, social, and political issue of 1996,” Kennedy said. The proposal:

- would disallow tax deductions for interest paid to finance mergers and acquisitions. Under current law, if a company takes over another company through a leveraged buyout, it can deduct its interest charges. “In the 1980s, it was common practice for financiers to borrow the funds to make the acquisition with the express intent of selling off the assets and casting off the workers to raise the money to pay back the debt,” Kennedy said. This provision would put a crimp in mergers and acquisitions;
- would broaden anti-trust laws so that, if a potential merger is challenged in court, the judge would have to consider not only its effects on competition (the current standard for anti-trust law), but also “the interest of workers and local communities”;
- would require that, when stock buyers notify the Securities and Exchange Commission of their intent to acquire major blocks of a company’s stock, they must also notify the SEC of plans for layoffs and shutdowns that could result from the acquisition;
- would provide tax breaks and preferences in federal government contracts for companies which establish above-average records for wage increases, investment in training and education for workers, health care, retirement benefits, profit sharing, as well as provision of child care for all employees by companies with more than 500 workers;
- would provide tax breaks to companies that meet certain criteria, which Senators Daschle and Bingaman have identified as “Corporation A” criteria, including putting 8% of the company’s payroll into employee health care, 8% into retirement benefits, and 2% into education and job training.

Companies meeting the criteria would also be able to win federal contracts, provided that their bids were no more than 10% above the low bid—meaning that a company which paid its workers very low wages would not always win government contracts, even it came in with the lowest bid.

suicidal campaign strategy of targeting the “yuppie” vote, i.e., the constituency which brought madman Newt Gingrich and his fellow rabble to power in the 1994 mid-term elections. While courting these layers, Fowler and company are also the Presidency. Among other travesties, Fowler has bluntly refused to fund minority voter registration drives for the southern states, in effect, ceding southern Congressional seats to the Republicans. Furthermore, Fowler has issued letters to the Democratic state chairmen, announcing that LaRouche delegates will not be seated at the party’s Presidential nominating convention this summer, in violation of the open-party statutes in the Democratic Party rules.

Fowler’s economic policy prescriptions are fully in keeping with his appeal to yuppies. While claiming that Clinton’s economic policy of the last four years has been an outstanding success, he is attempting to squash any attempts by the President or his supporters to move in the direction of the economic policies desperately required to rescue the United States from complete collapse.

Fowler’s treachery conflicts with a growing faction within the Democratic Party which is beginning to recognize that the U.S. economy is in a terrible state, and that action must be taken quickly. The principal figures in this wing of the party include Sen. Edward Kennedy (D-Mass.), who has warned that the United States is in a “quiet depression,” Sen. Tom Daschle (D-S.D.), Sen. Jeff Bingaman (D-N.M.), Rep. Richard Gephardt (D-Mo.), Secretary of Labor Robert Reich, and others, who have taken up the fight against the Gingrich-Armey horror show.

In his Pennsylvania press conference, LaRouche stated his agreement with these Democrats: “Except on one point, where I am a little bit out in front of my fellow Democrats, what I am doing accords with the policy direction expressed by Senator Kennedy, by Senators Bingaman, Daschle, and others, by Congressman Gephardt, and the direction coming from the White House by Robert Reich.” LaRouche warned that President Clinton could lose the election “if we do not move ahead on the kind of economic issues which are raised by myself, by Kennedy, Bingaman, Daschle, so forth, and by Gephardt.”

Democrats no shoo-in

In attempting to keep LaRouche out of the convention, Fowler is trying to muzzle the strongest voice against the Armey-Gingrich crowd, while effectively disenfranchising LaRouche’s double-digit base within the party.
In a radio interview with "EIR Talks" on April 17, LaRouche again warned of the dangers of the Fowler strategy. There are three things that can't be seen as foregone conclusions for the November election, he said.

First, the Democrats are not assured that they will recapture the House of Representatives. "In that case," LaRouche said, "if the President were to win the election as President, he would face a disaster immediately, even before the swearing-in of the new administration and Congress. Because the Republicans would go out to destroy him, using everything in the world to destroy him. And they probably would succeed."

LaRouche explained that the way to guarantee the President's reelection is to go for a clean sweep of Congress, something which is not occurring because of Fowler's strategy.

Second, LaRouche cautioned that the President could be defeated, given that the Fowler strategy could drive the Democrats' minority base into the hands of a third party effort. LaRouche said that while Clinton would win any debate with Dole, this might not prove sufficient to guarantee his victory in November, if, in fact, Fowler succeeds in driving minorities and others to vote for a third-party candidate.

In this context, LaRouche mentioned the emerging misalliance between Ross Perot's Reform Party and the New Alliance Party's Lenora Fulani. "You have Lenora Fulani, . . . teaming up with Ross Perot as part of a Rainbow Coalition-type national ticket, as a real third-party ticket, trying to draw away from the Democratic Party, precisely those votes from the core Democratic Party vote, that Clinton would need to win his reelection."

Finally, LaRouche discussed Clinton's problems should he be elected. "Let's suppose the best occurs," LaRouche hypothesized, "that the President wins reelection, and that we carry the House of Representatives, and, perhaps make some inroads into the Senate, in which case the President can actually govern as President. . . . But, suppose he becomes President, and he doesn't have the policy that I'm pushing. Then he would go down in history as one of the great failures of the American Presidency, and the United States itself might not survive. Because the issue that the President has to face, of which he's saying nothing now . . . is that the entire international monetary and financial system is bankrupt. The whole system can blow at almost any time."

What Clinton must do, said LaRouche, is this: "Now, the President of the United States, provided he has political support for this from within the Congress, and from the people, can use the constitutional authority, both of the Constitution itself and that authority he has under it, to put the Federal Reserve into receivership, reorganize the currency system—that is, supplement the present currency with U.S. currency notes, set up national banking, launch the kind of economic recovery program which many in the Senate and House, the Democrats, are pushing toward now, things like the Bingaman bill and so forth. And, in that case, then negotiate with foreign powers to create a new monetary system."

Rehnquist's states' rights are based on common law

by Edward Spannauus

Chief Justice William Rehnquist has once again issued a ruling on behalf of a majority of the Supreme Court which carries forward the destruction of our federal Constitution at the hand of "states' rights." Not surprisingly, he had to reach back into doctrines of English common law to justify his treasonous ruling.

A year ago, in U.S. v. Lopez, the Supreme Court took a big step toward rolling back federal power, in terms that would make Newt Gingrich and Phil Gramm proud. The implications of that ruling were that a reversion to the court's pre-New Deal jurisprudence—when it routinely struck down all applications of federal economic power—was in the offing. (See "The Rehnquist Court Joins the Conservative Revolution," EIR, May 12, 1995.)

The issue in the court's March 27 ruling, in the case Seminole Tribe of Florida v. Florida, involved whether the Seminole tribe could sue the state of Florida to enforce the 1988 Indian Gaming Regulatory Act. Apart from the wisdom of the legislation in the first place, the statute explicitly provided that an Indian tribe could sue a state in federal court to enforce provisions of the law.

Rehnquist, writing on behalf of himself and Associate Justices Anthony Kennedy, Sandra Day O'Connor, Antonin Scalia, and Clarence Thomas, ruled that the doctrine of "sovereign immunity" bars a lawsuit against a state unless the state has consented to such a suit—despite the clear intention of Congress to authorize such suits to be brought in federal court.

A 'shocking affront'

Justice John Paul Stevens, in his dissent, called the ruling a "shocking . . . affront to a co-equal branch of our Government," i.e., the Congress, and declared that the majority's ruling will prevent Congress from providing a forum for enforcing federal laws against the states, including actions involving patents, copyrights, bankruptcy, environmental law, "and the regulation of our vast national economy."

Justice David Souter, joined by the two most recent appointees to the court, Justices Ruth Bader Ginsburg and Stephen Breyer, wrote that "the Court today holds for the first time since the founding of the Republic that Congress has no authority to subject a State to the jurisdiction of a federal court at the behest of an individual asserting a federal right."

Rehnquist's ruling was that the Eleventh Amendment to the United States Constitution denies Congress the power to
authorize lawsuits against a state. Rehnquist conceded that the Eleventh Amendment doesn’t actually say this, but that it must be inferred from the “presupposition” that “each State is a sovereign entity in our Federal system,” and that it is inherent in the nature of sovereignty that the sovereign is not amenable to being sued without its consent. (Rehnquist reluctantly admitted that enforcement of civil rights under the Fourteenth Amendment still is permitted, since that amendment was passed after the Eleventh Amendment.)

Rehnquist relies upon an 1890 Supreme Court decision, *Hans v. Louisiana*, which incorporated the notion of state sovereignty and the British common-law doctrine of “sovereign immunity” into the Eleventh Amendment. The Eleventh Amendment, ratified in 1795, was written to prevent citizens from suing a state for collection of war debts; in 1820, Chief Justice John Marshall explained that the Eleventh Amendment had the narrow purpose of preventing creditors from suing a state, but that it was not intended “to strip the [national] government of the means of protecting, by the instrumentality of its courts, the constitution and laws from active violation.”

But to turn the Eleventh Amendment into an instrument of rampant states’ rights against the federal Constitution, Rehnquist had to recast it against what he calls “the background principle of state sovereign immunity.” But this “background principle,” as the dissenting opinions show, is based upon English common law—never a part of our nation’s constitutional law.

**Documentation**

*Following are excerpts from the dissenting opinions of Justice Stevens and Justice Souter in Seminole Tribe of Florida v. Florida.*

**Justice Stevens:** Except insofar as it has been incorporated into the text of the Eleventh Amendment, the doctrine of sovereign immunity is entirely the product of judge-made law. Three features of its English ancestry make it particularly unsuitable for incorporation into the law of this democratic Nation.

First, the assumption that it could be supported by a belief that “the King can do no wrong” has always been absurd; the bloody path trod by English monarchs both before and after they reached the throne demonstrated the fictional character of any such assumption. Even if the fiction had been acceptable in Britain, the recitation in the Declaration of Independence of the wrongs committed by George III made that proposition unacceptable on this side of the Atlantic.

Second, centuries ago the belief that the monarch served by divine right made it appropriate to assume that redress for wrongs committed by the sovereign should be the exclusive province of still higher authority.

Third, in a society where noble birth can justify preferential treatment, it might have been unseemly to allow a commoner to hale the monarch into court. Justice [James] Wilson explained how foreign such a justification is to this Nation’s principles.

In sum, as far as its common-law ancestry is concerned, there is no better reason for the rule of sovereign immunity “than that so it was laid down in the time of Henry IV.” That “reason” for the perpetuation of this ancient doctrine certainly cannot justify the majority’s expansion of it.

**Justice Souter:** There is and could be no dispute that the doctrine of sovereign immunity that *Hans* purported to apply had its origins in the “familiar doctrine of the common law,” “derived from the laws and practices of our English ancestors.”... This fact of the doctrine’s common-law status in the period covering the Founding and the later adoption of the Eleventh Amendment should have raised a warning flag to the *Hans* Court and it should do the same for the Court today.

One of the characteristics of the Founding generation, was its joinder of an appreciation of its immediate and powerful common-law heritage with caution in settling that inheritance on the political systems of the new Republic. But even in the late colonial period, Americans insisted that “the whole body of the common law... was not transplanted, but only so much as was applicable to the colonists in their new relations and conditions. Much of the common law related to matters which were purely local, which existed under the English political organization, or was based upon the triple relation of king, lords and commons, or those peculiar social conditions, habits and customs which have no counterpart in the New World.”

Dean Pound has observed that, “for a generation after the Revolution... political conditions gave rise to a general distrust of English law... The books are full of illustrations of the hostility toward English law simply because it was English which prevailed at the end of the eighteenth and in the earlier years of the nineteenth century.”... James Monroe went so far as to write in 1802 that “the application of the principles of the English common law to our constitution” should be considered “good cause for impeachment.”

While the States had limited their reception of English common law to principles appropriate to American conditions, the 1787 draft Constitution contained no provision for adopting the common law at all... Instead, the Framers chose to recognize only particular common-law concepts, such as the writ of habeas corpus, and the distinction between law and equity, by specific reference in the constitutional text. This approach reflected widespread agreement that ratification would not itself entail a general reception of the common law of England. See Letter from John Marshall to St. George Tucker, Nov. 27, 1800, (“I do not believe one man can be found” who maintains “that the common law of England has... been adopted as the common law of America by the Constitution of the United States”).
Queen's Privy Council sends Blair to U.S.A. to boost 'GOP Democrats'

by Scott Thompson

British Labour Party leader Tony Blair, who will probably be the next prime minister of the United Kingdom, traveled to New York City April 10-11, and thence to Washington, D.C. on April 12, to strengthen the hand of the "Republican" faction in the Democratic Party. Blair was deployed to the United States by a highly secretive body known as the Queen's Privy Council, of which he and Prime Minister John Major are both members. All members of the Privy Council, which will be further described below, have taken an oath of allegiance to uphold every action of Her Majesty Queen Elizabeth II, who has more concentrated "Prerogative Powers," than any elected President.

'Strictly business' in New York

After meetings on April 10 with "one-world" advocates at the United Nations—Sir John Weston, U.K. representative to the U.N., and U.N. Secretary General Boutros Boutros-Ghali—Blair met with Wall Street fund managers, including those from Lazard Frères, S.G. Warburg, Goldman Sachs, and Bankers Trust. This was followed by a meeting with executives of Brown Brothers Harriman, the firm which helped Bank of England Governor Montagu Norman finance Hitler's rise to power in the 1930s.

Blair also met with financier George Soros at the latter's request—an occasion whose irony Blair's office acknowledged, since it was Soros who had led a wolf pack in 1992 to collapse the European Rate Mechanism (ERM), while earning $1-2 billion in two weeks from devaluing the British pound, and $280 million from devaluing the Italian lira. A spokesman for Soros Fund Management "declined" to answer this author's question, as to whether Soros was sizing up Blair for another go at the pound; but Soros told the wire services that he found Blair "refreshing." Soros is largely a creation of the British-centered Rothschild family banking group, the financial lapdogs of the House of Windsor and its predecessor dynasties since the Rothschilds aided the Red Coats against the American Revolution.

April 11 began with Sir Henry Kissinger hosting a breakfast for Blair at the River Club, with 20 top media officials and business clients of Sir Henry. Among those known to have been invited were the president of ABC News; Kissinger client Maurice Greenberg, chairman of the American International Group, which had bailed out Lloyd's of London; the executive editor of the New York Times; and, the editor of Newsweek. In 1982, Sir Henry had publicly admitted, in a speech at the Royal Institute of International Affairs (Chatham House), that he had served as a British agent while holding high public office as U.S. national security adviser and secretary of state.

After a luncheon address to the British-American Chamber of Commerce, Blair was off to Washington, D.C. As the April 15 issue of Business Week pointed out: "Blair's trip is part of a campaign to reassure U.S. investors and currency markets that he won't reverse changes brought about by 17 years of Conservative government. ... He'll pledge not to raise personal or corporate taxes, not to re-nationalize industries, and not to let labor unions run the country." In short, as the April 11, London Times made clear, Blair would not reverse Thatcherism, being a "passionate free trader" and "unashamed anti-protectionist."

Intervention in Washington

A bash at British Ambassador to the United States Sir John Kerr's residence on April 11 was reportedly attended by top officials of the Democratic National Committee. According to the London Guardian on April 9, the DNC is among the most interested institutions in Washington, in Blair's "New Labour" policies. DNC Chairman Don Fowler is also busily attempting to sabotage the reemergence of a strong Democratic Party based upon traditional constituencies and policies to revitalize the economy.

On the morning of April 12, Blair met with President Bill Clinton and Secretary of State Warren Christopher at the White House. Among the topics he discussed with them was the necessary dislocation in jobs that would take place with the "Information Age." Reporters were told, after the meeting: "Both the Democrats here and the Democratic President here, and 'New Labour,' are trying to ensure that in a world which is completely changed, where there's massive economic and technologic challenge bringing great insecurity in its wake, that we are equipping our people and our business for that change."

White House spokesman Mike McCurry told reporters that Blair and the President had discussed Bosnia and Northern Ireland, but that the longest discussion was on the global economy, especially the question: "How do industrial socie-
ties in this Information Age adjust to the enormous and very hopeful changes occurring in the world economy?"

**Defense of Thatcherism**

At a press conference at the National Press Club, this author asked Blair: "You have been comparing 'New Labour' with 'New Democrats.' You reject dirigistic 'Big Government,' you decry 'tax-and-spend,' without discussing what money is being spent for, and you refuse to roll back Thatcherism. This comes at a time when a major faction of the Democratic Party has been stressing, 'We don't need two Republican Parties.' And, they have stressed the traditional role the Democratic Party in the U.S. needs to go back to, that of FDR and JFK, while bringing in constituencies such as labor and minorities, that you eschew. Are you trying to steer the debate away from this call by Senator Kennedy and Senate Minority Leader Daschle, despite superficial similarities of your corporatist 'stakeholder society'? In short, are you not just another Republican Democrat?"

Blair responded: "These lessons need to be applied in a different time. We are living in a New Age. There is no disrespect for FDR, to say that this is not the time for his 'New Deal.' Today, we need a strong and cohesive society. To do that, we must approach it differently from the way we have been doing it. It is the difference between respect for the past, and living in it."

Asked about his stand on Northern Ireland, Blair said that he stood foursquare behind the actions of Prime Minister Major, who had set a date in consultation with the Irish government for talks on Northern Ireland. Blair agreed with Major that no one who participated in violence should be allowed to be part of those talks.

When a journalist asked, "Do you think that the Thatcher-Reagan medicine is right for Russia?" Blair responded with a defense of Thatcherism. "It is not a question of Thatcher-Reagan," he said. "A command economy does not work. You need a free market. The Labour Party has tried to play a part. We are in touch with all the former East bloc countries.... We support free market reforms in Russia and democratic methods."

Lyndon H. LaRouche, Jr. was asked to comment on this exchange, in an April 13 radio interview with "EIR Talks." He replied: "You had this disgusting creature, Tony Blair, who is now... part of the underside as a candidate member of the Queen's Privy Council. He came as a candidate-member of the Queen's own Privy Council, to try to influence this government, this administration. And, he represented the pure filthy politics of the British monarchy. As to whether he's 'better' or 'worse' than Major, it's a toss-up. He's probably worse, because he's likely to be around a bit longer.

"That's what the issue is. They want that kind of thing, as they have in Britain, where the Tories and the Labour Party, and so forth, and the Liberals are all the same thing, really. They just toss them around and flip them around. The don't want politics coming from a political process, a process of representative government, of participation."

**What is the Privy Council?**

Blair has been a member of the Privy Council since 1994, when he was selected to head the Loyal Opposition. *EIR* will have more to say about the Privy Council in a forthcoming issue. Briefly, it includes representatives of the royal family, the House of Lords, the City of London, Prime Minister John Major, all cabinet ministers, leading Anglican clergy, and leaders of the Loyal Opposition. The Privy Council is above Parliament, and it is one of the main instruments through which the queen exercises her Prerogative Powers. A few of these powers include the right to dissolve Parliament, to select the next prime minister, to override any law enacted by Parliament, to declare war, and to act as commander-in-chief.

Just one of the 12 Privy Council Committees, the Judicial Committee, acts as a secret Supreme Court for the British Empire, reporting its findings only to the queen for "Orders in Council." To join the Privy Council, all members must swear an oath of allegiance to the queen, pledging to uphold her every action. These oaths give the lie to the myth that the British Empire is run by a "constitutional monarchy."

Membership in the Privy Council by both Prime Minister Major and Loyal Opposition leader Blair helps explain why there is "not a dime's worth of difference" between them.
Federal workers contest line-item veto measure

The National Treasury Employees Union (NTEU) has filed suit in federal court, challenging the constitutionality of the line-item veto legislation signed into law by President Clinton on April 9. Representing 150,000 federal employees in 18 departments and agencies, the NTEU contends that the legislation will severely undermine its ability to defend its members.

The NTEUsuit claims that the line-item veto bill violates the U.S. Constitution in several respects: by altering the separation of powers; and by giving legislative power to the Executive, while diminishing the power of the Legislative branch. Specifically, the NTEU suit charges that the line-item veto violates the procedures for enacting legislation set forth in Article I, Section 7; and for Presidential authority to exercise the veto power. The suit also contends that the line-item veto violates Article I, Section 8, which grants the Congress the power "to make all laws which shall be necessary and proper."

Whitewater prosecutor should resign, says Times

In a tactical about-face, the New York Times editorially declared April 17 that Whitewater special prosecutor Kenneth Starr should resign on grounds of conflict of interest—so that the British-directed witch-hunt against President Clinton might continue with at least a fig-leaf of plausibility.

As reported by EIR, Starr's now broadly exposed record, of continuing to represent such clients as the Republican National Committee in his private practice, has made his Whitewater fishing a political liability. The Times editorially drops the line it put forth as recently as March 31, when another editorial argued that Starr should not resign, because his work was "too far along to start over." The Times then urged Starr to take a leave of absence from his law firm, until he had completed his Whitewater tour of duty.

Its latest editorial concludes that Starr's conflicts of interest have grown so great in the meantime, that he should step aside—and leave the investigation to one of his senior staff.

Shalala rules out drug legalization

Donna Shalala, President Clinton's secretary of Health and Human Services, declared April 12 that "we will never, ever support the legalization of marijuana or any other illicit drug." Speaking at a conference of the U.S. Center for Substance Abuse Prevention, Shalala said, "We're also pursuing a major research agenda to deflate all the myths that drugs don't cause lasting harm. This is a big problem among young people. . . ."

"We're challenging the media and the entertainment industries to de-glamorize drugs and re-glamorize opportunity. We're sending a clear anti-drug message to every American: Drug use is illegal, it's dangerous, and it's wrong."

To the nation's employers, she urged, "You must tell young people early on, through your recruiters and through your job advertisements, that if they use drugs, you have absolutely no interest in hiring them. No matter how talented they are; no matter how good their grades or how smart their professors say they are; no matter how hard working, our young people must know that drug use is a clear and present danger, and when it comes to their careers and their futures, business isn't interested in them if they start playing with drugs early on."

Congressional Dems blast GOP amendment on taxes

The Republican "Contract with America" scheme for a constitutional amendment, requiring a two-thirds vote to enact any tax increase, was defeated in the House on April 15. Senate and House Democratic leaders also denounced the Republican tax plan as a swindle, intended to fatten the rich at the expense of the rest of the population.

House Minority Leader Richard Gephardt (D-Mo.) told a press conference, "Under the Republican tax plan, two-thirds of all families get nothing or higher taxes." The Republicans, Gephardt said, are "like dogs after a bone. They have one thing in mind: cut taxes for the wealthiest Americans, and it will trickle down, and we'll all live happily ever after. It's never worked."

Sen. Byron Dorgan (D-N.D.) revealed that the GOP tax package includes a proposal to provide $244 million in tax breaks to companies that move jobs overseas. He claimed they are also proposing to give more than 2,000 corporations $7 million each in tax relief, by adjusting the minimum tax. That amounts to $16.2 billion in tax reductions, he said, which average Americans must make up. Dorgan charged that there are dozens of such proposals in the Republicans' tax plan.

The failed Republican amendment on tax increases, Dorgan added, was the third Constitutional amendment they had proposed in the Senate in April, bringing the total to more than 100 since last September. "This is not conservatism," he said. "If you are willing to trifle with the U.S. Constitution to advance your political agenda, you fit in."

AFL-CIO President calls for 'social contract'

Speaking at a forum in Minneapolis April 12, AFL-CIO President John Sweeney sharply denounced the disregard for working people shown by corporations, Wall Street, and the World Bank. Sweeney called for a renewal of the "social contract" which in former times insured a rising standard of living for all Americans.

When this social contract worked, said Sweeney, "here's what our leaders in government understood—and President Kennedy said it best: 'A rising tide lifts all boats.' For almost 30 years after winning World War II, we all prospered because we prospered together. We were concerned with raising the standard of living for all Americans—not just accumulating enormous wealth for a fortunate few. That social contract was a formula for the strongest econ-
omy, the largest middle class, and the most successful society this world has ever known.”

Sweeney described the “snapshots from hell” which characterize the relationship of corporate America to the workforce today: restructuring, downsizing, pension raids, privatization schemes, runaway plants, and falling real wages. Speaking of the Conservative Revolution’s virtual “Contract on hell” which characterize the relationship of government programs and policies that protect the standard of living for workers and their families . . . and a safety net for the young, the old, the poor and the disabled.”

Asking whether a rising tide now sinks all ships, except for the “luxury yachts,” Sweeney attacked “the Wall Street wizards who are operating dangerously beyond the fringe of current regulation.” He also questioned U.S. financing of the World Bank, which helped arrange financing for the Caterpillar Corp. to expand operations in Russia and “emerging nations” in Europe. In the United States, Caterpillar has engaged in major union-busting operations against its employees.

**Infrastructural collapse hitting Baltimore County**

Baltimore County, Maryland, is the latest acknowledged casualty of malignant neglect, imposed on the nation’s infrastructure by the lunatic policies of the “post-industrial society.” According to the April 14 Baltimore Sun, county budget director Charles R. Olsen has determined that “there isn’t enough money in the entire state of Maryland” to meet all the needs of repairing the county’s decaying infrastructure.

Baltimore County comprises a broad suburban and rural corridor stretching north from the city of Baltimore—which also lies in virtual ruins following the destruction of most of its heavy industry. The county planning board’s proposed $1.1 billion capital budget, says Olsen, is nothing more than an attempt “to stanch the bleeding.”

According to the Sun, more than half of the county’s bridges have structural defects—some so severe that they are off limits to fire trucks. Alleys are deteriorating, and 12 miles of alleys have such severe pot holes, that they may be impassable for trash trucks and emergency vehicles. Sewers are blocked, and 120 miles of water lines need cleaning and relining.

Budget director Olsen projects that in 10 years, 50% of the county’s homes, streets, and alleys will be more than 50 years old—at which point they will have exceeded their “design life.” Olsen concludes, the Sun reports, that the county’s deterioration will not be reversed without more revenue—either from economic growth or tax increases. “The fat is being driven out of the government,” Olsen says. “To cut us any further, we will have to cut basic services.”

**Briefly**

**PRISON** factories will soon start up in Virginia, following an April 12 agreement by the state’s Department of Corrections with The Boling Co. of Siler City, N.C. Up to 300 inmates, in at least three prison factories, will assemble and finish office furniture from components manufactured by Boling. The slave-labor scheme will supposedly help inmates to “acquire a positive work ethic.”

**PRESIDENT CLINTON** nominated current U.S. Trade Representative Mickey Kantor April 12, to replace the late Ron Brown as secretary of commerce. He also nominated African-American banker and former Rhodes Scholar Franklin Delano Raines, to succeed Alice Rivlin as director of the Office of Management and Budget, who was recently appointed to the Federal Reserve Board.

**DWAYNE ANDREAS,** chairman of the grim-reaper cartel Archer Daniels Midland, expects another speculative killing. Worsening shortages, due to the deliberate wrecking of Midwest grain production, have sent prices skyrocketing. Andreas pretends to chalk them up to bad weather. “Every few years, Mother Nature doesn’t treat us too kindly,” he told Business Week recently.

**U.S. FARMERS** who have ever re-scheduled their debt, or have declared bankruptcy and reorganized to continue farming, are barred from participating in the various programs defined under the new “Freedom to Farm Act,” according to Schiller Institute agriculture activist Fred Huenefeld, who said of the act, “This is a disaster.”

**BARRY CLAUSEN,** an investigator who infiltrated the self-professed terrorist group Earth First!, canceled a press conference on April 11 because of death threats against himself and bomb threats against the hotel. He had prepared material on the violent nature of Earth First! and the potential connections between Theodore Kaczynski, EF!, and Prince Philip’s Native Forest Network.
There is growing recognition of the extremely dangerous global financial situation in every major capital of the world. For example, there is a dispute now among Swiss banking circles about how to deal with the treacherously dangerous derivatives market. More and more, the “traditionalists” are recognizing the truth of Lyndon LaRouche’s analysis of the dangers of an impending collapse. This has not always been the case. Self-styled banking experts were originally quite enthusiastic about derivatives, and defended investment in them vehemently. Then, a year or so ago, they began admitting that LaRouche was right about the risk in the derivatives area. This was the first glimmer of sanity from among these circles.

The picture among these Swiss circles is now typical. Around the world, the smart money recognizes that derivatives are a form of lunacy. But, policymakers are unwilling to recognize the axiomatic failure in their thinking which led them to endorse such idiocy in the first place. They are unwilling to reject the fallacy of speculative economics.

In the United States also, it is common knowledge that the derivatives bubble is about to burst; nonetheless, the Clinton administration is wary about bringing the truth before the voters in an election year. Not so LaRouche—and this is one of the most important aspects of his candidacy in the Democratic Party primary elections, to point out the responsibility of the “Contract on America” crowd in Congress in bringing the U.S. economy to the point of disaster.

There are five steps which the President of the United States must take to avert the consequences of the speculative frenzy of the past period: The bankruptcy of the Federal Reserve System, as part of the international monetary and financial system, must be recognized and openly admitted. This entails legal action by the U.S. Treasury Department.

At the same time that the Treasury announces the bankruptcy of the Fed, Congress must be prepared to pass emergency legislation, in accord with Article I of the Federal Constitution, which would create a supplementary issue by the Treasury of U.S. currency notes in the order of several trillion dollars. This money would be used as a mechanism of credit to fund a general economic recovery. To replace the Fed, the Congress must reestablish national banking in the United States, using the precedent of the first and second national banks of the United States.

Fourth, what is needed is a national economic recovery program, centered around public works, and around the kind of policies advocated by the Bingaman-Daschle report and proposals from Congress, Congressional circles, and the Democratic Policy Committee. What is needed is major investment in infrastructure domestically, and a corresponding program on the scale of the postwar Marshall Plan, to rebuild countries such as Bosnia-Hercegovina, and to transform the situation in the Middle East and the former Soviet Union. Such an international program must involve our European and Japanese allies as well.

To implement all of this, it would be necessary to convocate an emergency international monetary conference. This would include the first-tier powers—the United States, the British Empire (which includes the Commonwealth countries under its control), Russia, and China—and a group of second-tier countries such as Japan, India, the western European continental nations, and key nations of South and Central America.

Without these five measures being taken on an emergency basis, recognition by policymakers of the truth of LaRouche’s analysis of the vulnerability of the financial system will in the end be useless. Action must be taken to put an end once and for all to the parasitical speculative economy which is destroying this planet and every nation on it.

In the final analysis, only the President of the United States can undertake such an initiative, to carry out these five emergency operations. His failure to do so, will, in a short period of time, lead to a kind of chaos which would be unbelievable to most people victimized by popular opinion today, even those who presently recognize the dangers inherent in the derivatives market.
Executive Intelligence Review

**U.S., Canada and Mexico only**

**1 year** $396  
**6 months** $225  
**3 months** $125

**Foreign Rates**

**1 year** $490  
**6 months** $265  
**3 months** $145

---

I would like to subscribe to Executive Intelligence Review for  

[ ] 1 year  [ ] 6 months  [ ] 3 months

I enclose $_________ check or money order  
Please charge my [ ] MasterCard [ ] Visa

Card No. ___________________________ Exp. date _____________

Signature ___________________________ Name ___________________

Company ____________________________________________ Phone ( ) ___________________

Address ____________________________________________

City __________________________ State ______ Zip ________

Make checks payable to EIR News Service Inc.,  
P.O. Box 17390, Washington, D.C. 20041-0390.
The story EVERYBODY'S been too frightened to publish:

The Ugly Truth about the Anti-Defamation League

The ADL—the crowd that tars its enemies with the "anti-Semite" brush—is a front for the international dope lobby, with links to former communist bloc intelligence services and international terrorist organizations.

By the Editors of Executive Intelligence Review

$7.00

Send checks or money orders to:

Ben Franklin Booksellers, Inc.
107 South King St. Leesburg, VA 22075
phone 1-800-453-4108 (toll free) or 1-703-777-3661

Shipping and handling charges: Add $4 for the first book and $.50 for each additional book. Virginia residents add 4.5% sales tax. We accept MasterCard, Visa, American Express, and Discover.