

## Free-market parasites are nation's top drug pushers

by Michele Steinberg

The United States has become a leading manufacturer and exporter of amphetamines, one of the drug culture's most effective mind-killers, according to well-informed sources in Washington, D.C. U.S.-produced "speed" and "meth" flood foreign lands, from Mexico to Russia, according to these veteran drug watchers. This news echoes the warning given by Gen. Barry McCaffrey (ret.), the head of President Clinton's Office of National Anti-Drug Policy, who told a news conference at the National Press Club on Aug. 30 that "the United States now is a major drug-producing nation, that we cannot say that our drug problem is Burma and Peru, Bolivia and Colombia." General McCaffrey elaborated further, in Congressional testimony on Oct. 6, that American youth are being drugged by domestically produced dope—both speed and THC, the active ingredient in marijuana.

According to the well-financed drug legalization lobby, these figures mean that the war on drugs has been lost, and that it's time for the United States to legalize drugs. Of course, the drug legalizers have been saying this for the past 25 years, going back to the 1976 election of Jimmy Carter, who gave us the first and only Presidential endorsement of marijuana decriminalization.

But in truth, the difficulties in eradicating the international drug traffic, prove that Lyndon LaRouche, *EIR* founder and now a candidate for the 2000 Democratic Presidential nomination, has been right all along, and his plan for a war on drugs that goes after the *banks*, and is fought in the same spirit as the war against Hitler, is the only strategy that could work. For decades, LaRouche has warned that unless the war on drugs is fought against the globalist banking establishment, in defense of the cognitive capability of every human being, and in defense of the sovereign nation-state, then there *is no war on drugs*, no matter how much military hardware is thrown into the fray. But, once these targets are effectively

defined, the elimination of dangerous drugs can become a reality.

As the following pages document, the drug legalization push is entering a new phase of escalation, and it is coming from the top echelons of the financier oligarchy: Wall Street's Richard Grasso, head of the New York Stock Exchange; Washington's neo-Conservative Gingrichite mafia in Congress and associated think-tanks; Britain's Lord Harris of Highcross; off-shore hedge fund billionaire George Soros (banker to Queen Elizabeth II); former Reagan Secretary of State George Shultz, who now advises GOP Presidential front-runner George "Dubya" Bush; New York's Sir Rupert Murdoch, owner of the News Corp., one of the world's biggest media monopolies which runs the *New York Post*; radical free-trade economist Milton Friedman; and the "new Republican" followers of free-trade neo-conservatism, like New Mexico's Gov. Gary Johnson.

### The legalizers' gameplan

On Oct. 5, an all-day conference at the Conservative Revolution's Cato Institute provided a rare glimpse into the Wall Street and conservative Republican drive for drug legalization. In a program that included more than 20 speakers, most of them from the Cato Institute itself, including some veterans of minor posts in the Bush and Reagan administrations, the steps for moving to full legalization were clearly laid out: Make sure that the on-the-ground war in Colombia—a strategic turning point in the legalization fight—goes in favor of the drug cartels; continue the step-by-step erosion of drug laws, represented by George Soros's campaign for "medical marijuana" referenda; and, most importantly, win a "war of attrition," by providing protection for the drug-money flows, under the rubric of "free trade."

The Cato Institute is only one of about a dozen well-fi-



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*For 25 years, the LaRouche movement has been battling the drug legalization mafia, typified by High Times magazine and financier George Soros. With the United States now officially classed as a major drug-producing nation, the legalizers are pulling out all the stops to implement their program. Leading the fight are free-trade cultists such as the Cato Institute and Rep. Henry Hyde (above).*

nanced groups that are dedicated to the total legalization of drugs. And while most of the attendees at the conference were self-described conservatives, also there, if somewhat low-key, was every so-called “liberal” leader of the drug culture since Jimmy Carter brought dope legalization into the White House in 1976. Among them were Keith Stroup, head of the National Organization for the Reform of Marijuana Laws (NORML); Kevin Zeese, the head of NORML during the 1980s; Eric Sterling, a former Congressional aide who pushes drug legalization; Arnold Trebach, head of the first medical marijuana promotional group, and now a member of the board of directors of the Soros-funded Drug Policy Foundation; and reporters for *High Times*, the glossy, pornographic drug magazine.<sup>1</sup>

### Legalizers ‘come out’ at Cato

The Cato Institute — a watering hole for some of the most hypocritical pseudo-moralizers of the Conservative Revolution in Congress — in its Friedrich von Hayek Auditorium in Washington on Oct. 5, promoted the legalization of drugs — yes! marijuana, cocaine, heroin, LSD, methamphetamines; you name it, you should be able to buy it. If you didn’t understand the truth about the “free market” before, then this con-

ference makes it clear: If you are for the “free market,” you are philosophically for the legalization of drugs. Any other argument is arrant hypocrisy that should be exposed and politically destroyed.

The walls of the Cato Institute are adorned with portraits of Adam Smith and other gods of the free-trade cult, including von Hayek and Federal Reserve Chairman Alan Greenspan’s idol, Ayn Rand. One Cato favorite is Rep. Henry “Rule of Law” Hyde (R-Ill.), whose book, *Forfeiting our Property Rights*, was being pushed as the major sale item at the Institute’s literature table that day. Hyde insists that he is against drug use, but he is a big supporter of Cato, and he is moving legislation through Congress to repeal the drug assets forfeiture law. Hyde’s opposition to drugs is about as convincing as his loudly proclaimed opposition to adultery, when he led the impeachment drive against President Clinton in the House of Representatives last year.

What is the “free market,” really? It is the British Opium War, forced on China by the British Empire’s East India Company and the drug-addicted Queen Victoria in the mid-19th century. It is the doctrine of the British East India Company’s Adam Smith, author of *The Wealth of Nations*, the anti-human “free trade” manifesto against which every nation must fight to retain its sovereignty.

The speakers at the Cato Institute praised the “Netherlands model” for legalized drugs. It is no accident that the modern-day models for government-regulated legalized drugs are Britain and the Netherlands, where “registered”

1. The May 1981 issue of *High Times* featured an attack on Lyndon LaRouche by scribbler Chip Berlet, titled “War on Drugs: The Strange Story of Lyndon LaRouche—Sinister Mastermind of the Anti-Drug Coalition—They Want to Take Your Drugs Away.”

drug users can get their daily fix from government pushers. It was, after all, the British and Dutch East India Companies which pioneered the use of opium and hashish smoking as “social control” weapons in the 19th century, in their efforts to gain colonies for their empires in the Far East, making huge profits in the drug trade in the process. The very concept of “registered addicts,” who are free to use drugs, and free to destroy their minds or die of an overdose from government-supplied dope, is inimical to the idea of a republic. Rather, mind-dulling legalized dope fits perfectly with the international oligarchy’s plan for a “New Dark Age,” where human population is drastically reduced, and, in the words of London’s Lord William Rees-Mogg, only the top 5% of the population count.

The Cato program began with an explicit attack on the idea of a republic, specifically on the most crucial aspect of the U.S. Constitution, the “General Welfare” clause in the Preamble. Cato Vice President for Legal Affairs Roger Pilon spoke in the first panel, “The Constitution and the Drug War,” where he asserted that *all* drug laws are illegal under the Constitution, because they are not specifically mentioned. Pilon’s warped argument is that legislators who want to control citizens’ behavior, abuse the clause of the Constitution which says to “promote the General Welfare,” and turn that into an instrument of tyranny with which the government takes away individual liberties. The practice, said Pilon, began with President Franklin Delano Roosevelt and his “New Deal-packed” Supreme Court, which upheld laws, like those providing food, shelter, and aid to a population ground down by the Depression.

Pilon’s interpretation of history is ludicrous, but his approach is not new. From the outset, the Preamble to the 1787 United States Constitution was a blow against British free trade, particularly against Adam Smith’s “Theory of Moral Sentiments,” which said that all human behavior is based on the motivations of the “Seven Deadly Sins.” Smith and the British oligarchy would have much preferred the Americans to stick with the weak Articles of Confederation, which had no preamble or “General Welfare” clause, and which would have enabled the stronger British Empire to defeat the American republic quickly, and bring it back into the empire.

## Republicans for dope

The keynote speaker and star of the Cato conference was Gov. Gary Johnson of New Mexico, one of the “New Republicans” in the George “Dubya” Bush vein. Johnson, a smug Baby Boomer, got a standing ovation for “courage [in] . . . taking on the drug enforcement establishment,” and for advocating full legalization of drugs. Johnson has conducted a national campaign of “dumping on” General McCaffrey, who is in a pitched battle with Washington’s foreign policy and financial establishment, including Secretary of State Madeleine Albright, to prevent the sabotage of efforts to stop the

cocaine and heroin trade.

“I am talking about legalization, not decriminalization,” Johnson boasted. He said that the drug trade in America is worth about \$400 billion, and is “larger than the car industry,” so, obviously, it must be made legal. Inventing figures that completely contradict what is known by health professionals and emergency room and law enforcement personnel, Johnson said that “only two or three thousand” people a year die from heroin and cocaine use, but once dope is legal, there “won’t be any overdoses,” because, he explains, these “overdoses” will become “suicides” under legalization. Johnson completely ignores the addictive nature of drugs.

Johnson ridiculed the “war on drugs” as a waste of \$50 billion, which he wants to redirect into new laws that will “control” drugs in government-directed manufacturing and distribution companies. Johnson is proud of telling everyone that he didn’t just “experiment” with drugs—“No! I used marijuana. I smoked marijuana. . . . We enjoyed what we did!” (a statement greeted with laughter and sustained applause). He explained that 75% of the people using illegal drugs today are employed, which he apparently assumed backed his argument that using dope does *not* harm society.

Get the entire drug economy “above the line,” i.e., into the official economy, says Johnson, whose promoters boast that he is the only governor in the history of New Mexico to have been elected to a second term. He says that to protect children, he would spend some of the \$50 billion spent on the “war on drugs,” on education, to keep kids away from the “lure” of drugs. Because, he says, even though he gave up drinking and illegal drugs, “it’s kind of nice.” Johnson claims that support for drug use in the United States is 97%.

Johnson’s “statistics” are pulled out of thin air, and then repeated from Johnson’s speeches and newspaper articles, over and over, by drug legalization advocates until, in the style of Goebbels’ Nazi propaganda, they gain widespread “popular belief.”

Despite the hype of Johnson’s popularity at the Cato conference, reports from New Mexico indicate that toleration for his drug-pushing rhetoric and activities is wearing thin. Last May, Johnson’s plan to replace public schools with a voucher plan was soundly defeated by a mobilization of labor and Democratic Party forces who have been aggressively fighting his Conservative Revolution agenda. Even more important, members of his own party—five GOP state senators and 10 GOP House members—broke with Johnson to vote against his voucher bill. New Mexico labor leader Michael Shea, of the AFL-CIO, celebrated the defeat of Johnson’s plan with a statement to the press: “Failed dictatorships throughout history have included Adolf Hitler, Benito Mussolini, and now the Dictatorship of Governor Gary Johnson and his Propaganda Minister John Dendahl, with the *bipartisan* defeat of their much-cherished school voucher program.”

Cato’s in-house defense expert, Ted Galen Carpenter, who fashions himself an advocate of strong defense for the

United States, weighed in with support for the murderous cocaine and heroin cartels of Colombia. Carpenter blasted Clinton administration efforts, through McCaffrey, to *refuse to accept* the de facto legalization being set up by the International Monetary Fund and New York Stock Exchange president Richard Grasso, who advocates that Colombia include revenues from drug trafficking in its Gross Domestic Product. Carpenter said that for the United States to tell Colombia to destroy the coca and opium crops “would be like telling Japan” to bomb the production facilities of Toyota and SONY. Carpenter also condemned Colombian drug fighters for carrying out “distressing human rights violations.”

No drug legalization conference is complete without the input of billionaire derivatives trader George Soros, who was represented by Ethan Nadelmann, the London School of Economics veteran who heads up Soros’s Lindesmith Center and manages Soros’s medical marijuana campaign referenda. Nadelmann’s line is that *only* by disguising the campaign for

legalization as a campaign for “medical treatment” will the legalization effort continue to make progress. Nadelmann pointed out that prior to the 1996 medical marijuana referenda (financed by Soros) in Arizona and California, the drug lobby had had nothing but defeats, as they tried to push “decriminalization” and legal dope. Stick with the “small steps,” Nadelmann urged, which are, for now, medical marijuana and the “clean needle exchange,” a program which provides hypodermic needles for those who shoot heroin and other drugs. By linking legalization to the fight against AIDS, for example, the dope lobby has made progress. Giddy with reports of the dope lobby’s recent success, the audience snickered in agreement that the real objective of these campaigns is full legalization.

Despite the pep rally atmosphere, the assembled “true believers” confess that they have not been able to shake the political assertion that drug abuse is still seen as a threat to the national security of nations.

## Behind Cato’s Brave New World

The Cato Institute had been a somewhat obscure “second tier” member of the Washington think-tank establishment, focussed especially on “free-trade” issues. Economist Milton Friedman and former Secretary of State George Shultz (under President Ronald Reagan), both long-winded advocates of the British legal-drug, free-trade model, occasionally appeared at Cato events. But, in September 1997, Cato got a major boost in money and “prestige,” when Sir Rupert Murdoch joined its board of directors. A brief Who’s Who of Cato’s operation is provided here.

**Sir Rupert Murdoch**, owner of the Fox-TV empire, the *New York Post*, the *London Times*, and the News International media cartel, and who originates from Australia, is one of the leading voices in the United States of the traitorous British-American-Commonwealth (BAC) faction that is attempting to control U.S. foreign policy and make the United States a pawn of the new British Empire. Murdoch has been a major supporter of the “New NATO” project run through the New Atlantic Institute, among other institutions.

Before Sir Rupert joined Cato’s board of directors, its best-known backers were the brothers **Charles and David Koch**, from the Koch Industries empire of Wichita, Kansas. Charles Koch was one of Cato’s founders, pouring millions into it, as a bastion of Libertarian ideas. In 1980, David Koch became the Vice Presidential candidate of the

Libertarian Party. Koch Industries is presently asking the press to disregard the third brother in the family, William, as “not reliable,” for his lawsuits accusing his brothers of stealing millions of dollars in oil rights from Native Americans and other poor people in Kansas.

Also on the board are some of Wall Street’s most notorious figures: **Peter Ackerman**, managing director of Rockport Financial Ltd., had been with Michael Milken’s (now defunct) Drexel Burnham Lambert until 1990, when Milken, the junk bond bandit who called his inner circle of investors the “Predators,” was shut down and convicted of six counts of securities violations. After things with Milken went sour, Ackerman went to the London International Institute for Strategic Studies as a visiting scholar in 1990. Ackerman was named as a co-defendant (with dozens of other Drexel operatives) in a class-action suit brought against Milken and others for fraud. Today, Ackerman heads Cato’s project on Social Security Privatization.

Cato Director **Richard Dennis** is another well-known financier in the speculative commodities markets. Dennis stepped in to bail out the nearly bankrupt, demoralized drug-legalization lobby in the mid-1980s. He bankrolled the Drug Policy Foundation, the umbrella for all of Washington’s professional Carter-era drug lobbyists. Dennis brags of building a successful money empire from a training pyramid that he calls “the Turtles.” The original recruits, according to an April 1997 story in *Business Week*, about two-dozen novice investors, were culled from 1,000 people who applied for a trading job. Among the inner circle were “two professional gamblers and a fantasy-game designer.”