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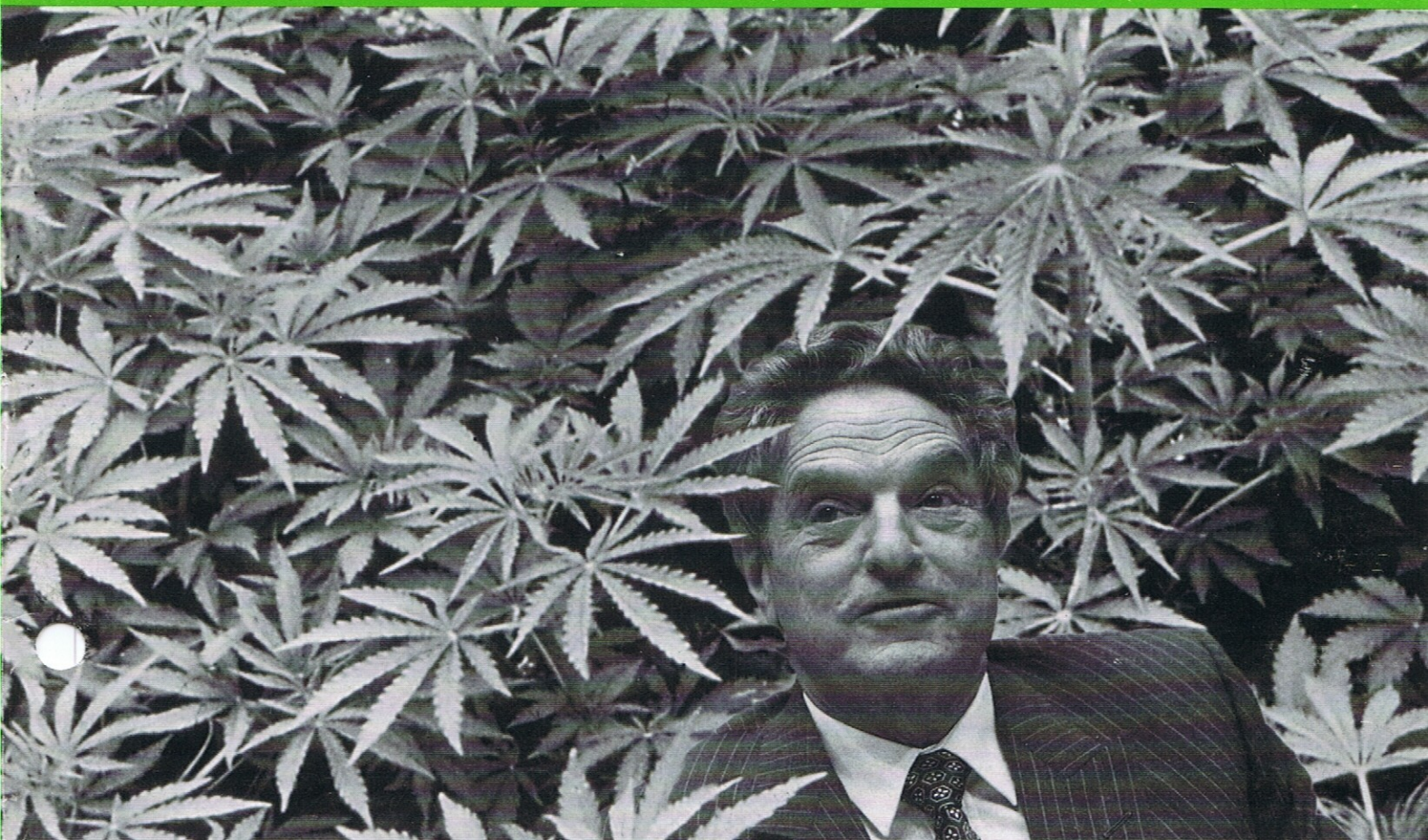
Executive Intelligence Review

August 29, 1997 • Vol. 24 No. 35

\$10.00

The Transaqua plan to green Africa's deserts
 Hamas suicide bombers came from London
 Teamsters' UPS victory can be a turning point

**George Soros: drug
pusher for the Queen**



George Soros: the Queen's drug pusher

by Jeffrey Steinberg

During his campaign for the 1984 Democratic Party Presidential nomination, Lyndon LaRouche was the target of a slander campaign, led by NBC-TV, accusing him of libelling the Queen of England as "a drug pusher." For years after that broadcast, a typical feature of the myriad of slanders against LaRouche has been the ID-format line, "LaRouche accuses the Queen of England of pushing dope."

In the initial NBC-TV interview, in response to a question about the British royals' role in the drug trade, LaRouche cited the 1979 book, *Dope, Inc.—Britain's Opium War Against America*, which proved that the British Crown, through its patronage of agencies like the British East India Company, the Hongkong and Shanghai Banking Corp., and the Jardine Matheson trading company, had a long, unbroken history of supporting the illegal drug trade. His remarks were heavily edited to appear foolish—as if he were accusing Queen Elizabeth of selling bags of heroin on the steps of Buckingham Palace.

A great deal of evidence has come to light in the 15 years since that initial NBC-TV slander, and since the publication of the first edition of *Dope, Inc.*, that, now, fully justifies labelling Queen Elizabeth II as one of the world's leading drug traffickers.

Today, officials of the British House of Lords, including members of the Queen's Privy Council, have come out openly advocating the legalization of drugs. The leading journals of the City of London, the *Economist* and the *London Times*, have repeatedly editorialized for the end of "prohibition" of narcotics. In 1996, the British House of Lords staged a debate, to denounce the Clinton administration for its decertification of Colombia, because of the Samper Pizano government's flagrant collusion with the Cali Cartel.

The historical archives, too, have been opened. Queen Elizabeth II's great-grandmother, Queen Victoria, it has now been publicly acknowledged in the City of London's press, was a drug addict for the last 20-odd years of her life; and, the records of her Royal Apothecary have been released to the public, revealing that



George Soros (left), Mr. Moneybags for the drug-legalization mafia and financial manager for Queen Elizabeth II, receives an honorary degree from Bologna University, October 1995.

the majority of members of the Victorian Royal Household spent their annual holidays at Balmoral Castle, looped on heroin and cocaine solutions.¹

Moreover, the Queen's personal speculator, George Soros, who manages an undisclosed, but sizable portion of the royal *fondi*, is leading a multimillion-dollar drive to legalize drug production and consumption throughout the Americas. In the United States, Soros has, in recent years, funneled at least \$15 million into the Drug Policy Foundation, a group devoted to the legalization of drugs; he has created his own drug legalization lobby, the Lindesmith Center, in the headquarters of his Open Society Institute in New York City, at an upfront cost of \$5 million; and, he has poured an undisclosed amount of his personal fortune into a number of state ballot initiatives, in an attempt to legalize "medical" use of narcotics, from marijuana, to LSD, heroin, and cocaine.

In Ibero-America, Soros is a pivotal figure in the British Club of the Isles' banking and raw materials grab (see *EIR*, Aug. 22, 1997, "Britain's 'Invisible' Empire Unleashes the Dogs of War"), and he is also a leading financier of the drive to legalize the production of cocaine, bankrolling a myriad of so-called "human rights" groups and associations of coca growers, who are peddling this criminal enterprise.

1. Ian Sutherland, "Menthol and Cocaine Lozenges—To Be Sucked Occasionally," *Leopard* magazine, Aug. 27, 1993; Willian Bowditch, "Royals Kept High in Highlands," *London Times*, Aug. 28, 1993; Dan Bindman, "Royal Drug Record Reveals Old Habits," *London Guardian*, Aug. 28, 1993.

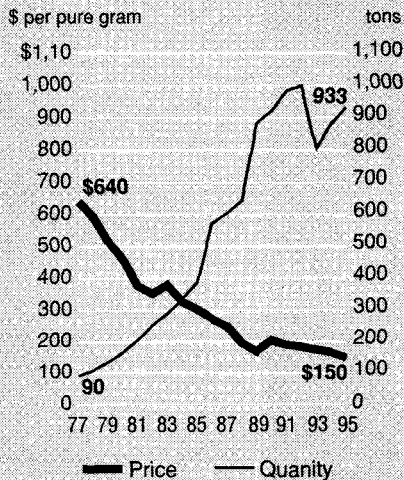
Political corruption

Given the widespread media coverage devoted to the most arcane details of the Whitewater real estate affair, and, more recently, to the 1996 Presidential campaign fundraising efforts of President Bill Clinton and the Democratic National Committee, one should ask: Why have the national media given zero coverage to the fact that Soros, an agent of a foreign power, Great Britain, through his network of tax-exempt organizations, foundations, and his personal largesse, has been buying off elected officials, police chiefs, judges, and news-media celebrities, by the dozen? Is this not political corruption of the highest order?

For example, for the past several years, Soros has been the "sugar daddy" of the Drug Policy Foundation. Each year, at its national convention, DPF gives awards to prominent politicians, doctors, police, and judges, who throw their lot in with the dope traffickers. Each award comes with a substantial cash payment. For example, Baltimore's Mayor Kurt Schmoke, a drug-lobby poster boy, was a recipient of the Richard Dennis Drugpeace Award, given annually by the DPF. He received a check for \$100,000. Recently, Soros announced that a branch office of his Open Society Institute is to open in Baltimore, where it will dispense \$25 million to an array of private social service agencies, largely focussed on the city's large and growing population of drug addicts.

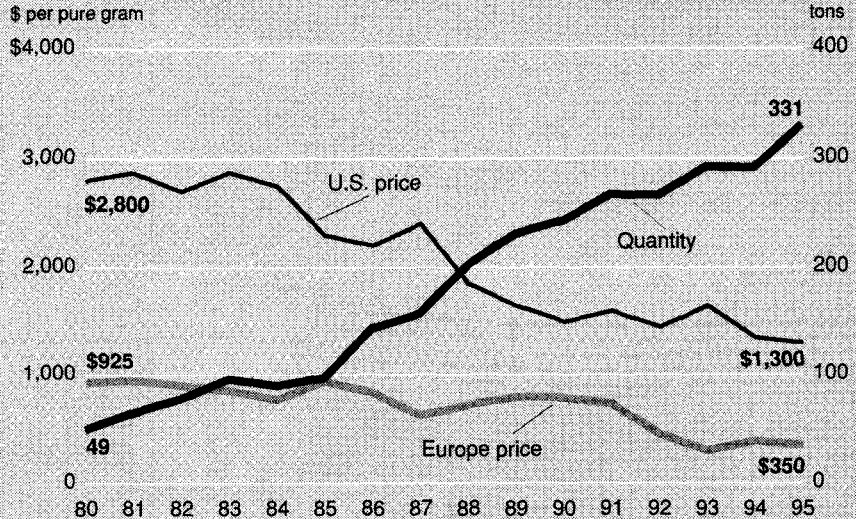
In 1996, British agent Soros infuriated President Clinton, White House Drug Policy Adviser Gen. Barry McCaffrey (ret.), and other anti-drug activists, by bankrolling a slick,

FIGURE 1

Cocaine: world price vs. quantity produced

Sources: NNICC; UN; OFECOD, Peru; Abt Associates; EIR.

FIGURE 2

Heroin price vs. quantity produced, United States and Europe

Sources: NNICC; INCSR; UN; Abt Associates; ANF, Pakistan; NALA; EIR.

Madison Avenue-style ad campaign, to gull California and Arizona voters into supporting ballot initiatives to legalize drugs. The "bait and switch" methods employed by Soros's minions painted the pro-drug initiatives as "tough-on-crime" proposals, and as medical "reform" initiatives, aimed at getting medicine to the sick, with a minimum of red tape. Voters in both states, unfortunately, passed the propositions, and Soros is now bankrolling similar initiatives in Oregon, Washington State, and the District of Columbia.

In an interview with the Aug. 17 *New York Times*, Soros said that he kicked in \$1 million to the Arizona and California campaigns, alone. In Arizona, bipartisan majorities in both houses of the state legislature, with backing from President Clinton and McCaffrey, passed a law, which was signed by the governor, largely overturning the ballot proposition; there is still an ongoing fight over its status.

In the interview, triggered by Soros's announcement that he was giving \$1 million to the San Francisco-based Tides Foundation to purchase hypodermic needles to be distributed, free, to heroin addicts, Soros denied that he advocates drug legalization. "I think marijuana should be kept away particularly from schoolchildren, from anybody who is learning something. . . . If that requires that marijuana generally be outlawed, I'm not opposed to that," he said.

Nice words. But, Soros persistently puts his money into the pockets of people who aggressively advocate the legalization of all drugs, albeit, often, behind closed doors. Take the case of the Tenth International Conference on Drug Policy Reform, sponsored by the DPF in Washington, D.C. on Nov. 6-9, 1996. At the plenary sessions, which were video-taped, speakers carefully side-stepped the question of drug legaliza-

tion. However, at a session titled "A Hard Look at Hard Drugs: The Legalizers' Achilles Heel," DPF activist Eric Sterling, director of the Criminal Justice Policy Foundation in Washington, pronounced himself a 20-year veteran of the "drug legalization movement." He chastized those in the audience who refused to go all out for the legalization of *all* drugs—including crack cocaine.

Nothing but lies

Sterling's remarks are emblematic of the outlook of the entire Soros-bankrolled "reform" movement. Through subterfuge and disinformation, Soros and his London backers publicly protest that they are merely fostering debate on the pros and cons of various drug policy "reforms." But, ultimately, all of their arguments boil down to a single phony refrain, devised by the highest echelons of Dope, Inc.: "Drug 'prohibition,' like alcohol prohibition before it, is a failure, which has led to an increase in drug-related violent crime. Legalize drugs, and the prices will fall, removing the 'profit incentive,' and reducing the violence."

Right? No, dead wrong! The July 26, 1996 *EIR* cover story, "Britain's Dope, Inc. Grows to a \$521 Billion Business," provided an in-depth, statistical profile of the growth of the illegal narcotics trade over the past 20 years. One of the most important discoveries, was the fact that the drug cartels have systematically *driven down* the retail prices of cocaine and heroin, in order to vastly expand the size of the market, i.e., to expand the number of addicts hooked on these killer drugs. The case of crack cocaine, which opened up the impoverished inner-city neighborhoods of America to cheap cocaine, in a smokeable form, is but the most glaring example

of Dope, Inc.'s adoption of the "Sam Walton" model of mass marketing through reduced prices.

Figures 1 and 2, reprinted from that report, show the steep drop in retail price, and the meteoric rise in heroin and cocaine sales over the past 15 years. They give the lie to the Soros crowd's entire argument.

In the reports that follow, you will be given a tour of Her Majesty's Dope, Inc. empire, with detailed attention focussed upon the activities of Soros, against the populations of the United States and Australia, in particular.

George Soros: a golem made in Britain

by Scott Thompson

Despite the stupid statements that some furry creatures in the U.S. State Department have made recently, praising George Soros's works as an "American," Soros is emphatically not American. Rather, he is a "golem," bearing the stamp "Made in Britain." If he were not so filthy a creature, he would be making speeches from the steps of Buckingham Palace. Calling Soros American, because he resides in greater New York City, is like calling the British troops, who temporarily resided in Washington, D.C., while they burned the White House during the War of 1812, "American."

Where Soros keeps his real money, such as the multibillion-dollar Quantum Fund N.V., is in Caribbean islands like the Netherlands Antilles, that were formerly British or Dutch colonies. If you are from the United States, you cannot invest in any of George Soros's funds, or even receive a prospectus. Soros has, in the past, had financial "near-death" experiences with the U.S. Securities and Exchange Commission, and, apparently, has no desire to cross swords with any U.S. financial enforcement agencies. Yet, one of Soros's select group of investors is the world's wealthiest woman, and head of the British Empire, Her Majesty Queen Elizabeth II.

Once a Nazi . . .

Soros revealed the "secret to his success" on the Adam Smith Show, a financial community gossip hour, aired in 1993 on New York's PBS affiliate, WNET-TV. In that interview, Soros recounted that, during World War II, while he was a teenager, he helped the Nazis loot the country estates of wealthy, Hungarian Jews. Soros thus escaped the Holocaust that eventually led to the deaths of 500,000 Hungarian Jews. After World War II, however, because of his actions, he had to skeddadle from Hungary to escape retribution by the survivors.

Numbers of young people went through similar, traumatic wartime experiences, but few, if any others would later boast

of that wartime misery, as a profound learning experience and basis of later success.

Soros ended up at the London School of Economics, where he became a protégé of then-British Aristotelian Society leader Sir Karl Popper. It was from Popper's writings on *The Open Society* that Soros developed his smarmy, pluralistic hatred of the American republic and of what has been known since the days of Treasury Secretary Alexander Hamilton as the American System of political economy. Others helped train Soros in the depredations of the rentier-financier oligarchic British economic system, epitomized by the British East India Company, that he has followed to this day.

In an exchange of correspondence before his death, Popper, who claims that the authoritarianism of Reason in Plato's Academy was the origin of communism and fascism, lied that he had nothing to do with his "protégé," George Soros. However, news accounts subsequent to Popper's death reveal that he was the source of at least one of Soros's grand schemes, the destruction of Russian science through Soros's International Science Foundation. Sir Karl Popper may prove in history to be a greater "Nazi" than George Soros's former *capo di tutti capi*, Adolf Eichmann.

George Soros got his start in large rentier-financier deals through the intervention of the Rothschild family, which has been part of what has become known as the "Club of the Isles" surrounding the British Sovereign, from the days of Baron Nathan Meyer Rothschild and Napoleon I. After brief polishing in British financial houses, Soros moved to the United States in 1956, where he worked for a couple of years managing the portfolio of an old Hapsburg-linked firm, which managed large holdings of old European money.

With permission from this firm, Arnhold and S. Bleichroeder, Inc., Soros took some of these *fondi* (old family funds) and started Quantum Fund N.V. But, he would not have been nearly as successful had it not been for the intervention of financier George Karlweiss, who was then with Baron Edmond de Rothschild's Banque Privée. At about the same time, Karlweiss was busy launching the international business career of the "Detroit Kid," Robert Vesco, who, with Rothschild assistance, would soon take over the flight capital firm of Investors Overseas Services and milk it for a fortune. Before Vesco was jailed recently in Havana, Cuba, on other charges, this fugitive from U.S. justice had become involved in narcotics-trafficking in Ibero-America.

The Rothschild connection to George Soros continues to be represented in various ways. For example: 1) Nils Taube, an old crony of Soros, who is now on the board of Lord Jacob Rothschild's St. James Capital, continues to be a director of Quantum Fund, N.V.; 2) The recently deceased Sir James Goldsmith, a cousin of the Rothschilds, sold a controlling interest in the gold-mining firm, Newmont Mining, to George Soros (some 8.8%), while selling a smaller amount to Goldsmith's business sidekick, Lord Jacob Rothschild. This helped to position Soros for the British-inspired raw materials grab in precious, strategic, and base metals.

Is your local elected official on Dope, Inc.'s payroll?

by Jeffrey Steinberg

In February, Baltimore's three-term mayor, Kurt Schmoke, travelled to New York City, to dine with George Soros at the billionaire's home. As the result of that get-together, Soros recently announced that, in September, he will open an office of his Open Society Institute in Baltimore, and will cough up at least \$25 million for "social welfare" programs in Maryland's largest city. It's the first time that the Soros foundation has set up a program to deal exclusively with the problems of one city. And it's hardly good news for the citizens of Baltimore.

According to an Aug. 3, 1997 article in the *Baltimore Sun*, Soros was impressed with Mayor Schmoke's "enlightened" views on the drug epidemic. Schmoke openly favors decriminalization—i.e., legalization—of drugs, starting with marijuana.

Schmoke's "enlightened" views about drug legalization have apparently already turned the city into a haven for drug traffickers. A retired senior drug enforcement official, who recently worked in Baltimore, told *EIR* that nearly a billion dollars a year in heroin is sold on the city's streets—a phenomenal figure, when one considers that *EIR*'s own, conservative, estimate is that the annual worldwide proceeds of the entire illegal drug trade is \$521 billion.

Soros and Schmoke are not just casual acquaintances. Soros is the moneybags behind the most prominent of the dope lobby front-groups, the Drug Policy Foundation, and Schmoke has been on the group's advisory board since its inception in 1986. Further, in 1989, Schmoke was the recipient of the first Richard Dennis Drugpeace Award, a thinly veiled payoff to leading politicians, police chiefs, judges, media celebrities, and medical professionals who throw in their lot with the pro-dope apparatus. Schmoke received a \$100,000 "prize" along with the award. Each year, since 1989, the Drug Policy Foundation has handed out at least \$150,000 in public payoffs to the leading dope lobbyists, and the brightest new stars on the "anti-prohibition" horizon.

By the standards of Colombia's Cali cocaine cartel, \$150,000 a year in prize money is chicken feed. But the recipients of the money, by accepting the DPF payoffs, publicly signal that they have crossed the line, and are owned assets of Dope, Inc.

From superstars to grassroots operators

Before Her Majesty's personal speculator, Soros, publicly joined the ranks of the dope lobby, there was Chicago com-

modities speculator Richard Dennis. A self-described libertarian, Dennis is a director of both the Conservative Revolution's Cato Institute and the "New Left" Center for the Study of Democratic Institutions, and a protégé of world-federalist Robert Maynard Hutchins, the longtime chancellor of the University of Chicago and intimate of Lord Bertrand Russell.

Dennis put up the seed money for the Drug Policy Foundation in 1986, and, two years later, kicked in \$2 million, in part to establish the awards program. The Drug Policy Foundation, on its website, lists the recipients of the prizes, but no longer advertises the fact that there are cash payments, along with the commemorative plaques. There are now a total of seven prizes, covering the fields of "drug policy reform," "journalism," "law," "scholarship," "citizen action," "control and enforcement," and "medicine and treatment."

Two of the awards, the Gerald Le Dain Award for Law and the H.B. Spear Award for Control and Enforcement, were named after Canadian and British officials who, early on, pushed for drug legalization. Le Dain served from 1970-72 as the chairman of the Canadian Government's Commission of Inquiry into the Non-Medical Uses of Drugs, which advocated the decriminalization of marijuana, heroin, and other dangerous substances. He was rewarded with a seat on the Canadian Supreme Court. Spear served for years, as an inspector in the Drug Branch of the British Home Office, retiring as chief inspector in 1986. He revived the work of the 1926 Rollston Commission, which pushed decriminalization.

The list of U.S. recipients of the Drug Policy Foundation cash payoffs includes some well-known public figures, like Baltimore's Mayor Kurt Schmoke.

Among them are:

The Virginia blueblood law firm of **Steptoe and Johnson**, which sued the U.S. government in 1978 to establish the precedent for "medical" marijuana use.

Wesley A. Pomeroy, former associate administrator of the Law Enforcement Assistance Administration, special assistant to the Administrator of the Drug Enforcement Administration, associate director of the White House Office of Drug Abuse Policy, police chief of Berkeley, California, and chief of security at the 1969 Woodstock rock festival.

Dr. Milton Friedman, senior research fellow at the Hoover Institution, leading protégé of radical free-market economist, Mont Pelerin Society founder Friedrich von Hayek, and

Popper's Open Society: Crush the nation-state

George Soros loves to boast that he is the protégé of Oxford's Aristotelian Society head, Sir Karl Popper, even naming his Open Society Institutes after Popper's infamous 1942 book, The Open Society and Its Enemies (New York: Harper Torch Books/The Academy Library, 1963), from which we excerpt here. Popper assailed the very notion of man in the living image of God, and savaged Plato for daring to suggest that man could craft republican institutions, wedding the best interests of the individual citizen with those of the state. It should come as no surprise that Soros's operations throughout the world are aimed at destroying the pillars of national institutions.

The attempt to find some "natural" boundaries for states, and accordingly, to look upon the state as a "natural unit," leads to the principle of the national state and to the romantic fictions of nationalism, racialism, and tribalism. But this principle is not "natural." . . . Here, if anywhere, we should learn from history; for since the dawn of history, men have been continually mixed, unified, broken up and mixed again; and this cannot be undone, even if it were desirable.

. . . The complete renunciation of the principle of the nation-state (a principle which owes its popularity solely to the fact that it appeals to tribal instincts and that it is the cheapest and surest method by which a politician who has nothing better to offer can make his way), and the recognition of the necessarily conventional demarcation of all states, together with the further insight that human individuals and not states or nations must be the ultimate concern even of international organizations, will help us to realize clearly, and to get over, the difficulties arising from the breakdown of our fundamental analogy. . . .

It seems to me that the remark that human individuals must be recognized to be the ultimate concern not only of international organizations, but of all politics, international as well as "national" or parochial, has important applications. We must realize that we can treat individuals fairly, even if we decide to break up the power-organization of an aggressive state or "nation" to which these individuals belong. It is a widely held prejudice that the destruction and control of the military, political and even of the economic power of a state or "nation" implies misery or subjugation for its individual citizens. But this prejudice is as unwarranted as it is dangerous.

It is unwarranted provided that an international organization protects the citizens of the thus-weakened state against exploitation of their political and military weakness.

longtime public advocate of total legalization of harmful drugs. In a Nov. 17, 1991 interview with the *Washington Times*, Friedman stated: "There's overwhelming evidence the war on drugs is doing more harm than good." The anti-drug war has been a "failure because it's a socialist enterprise," and should be "eliminated." The government, Friedman added, "has no business telling me what to ingest."

U.S. District Court Judge **Robert Sweet**, a New York federal judge who, in December 1989, came out publicly advocating the total legalization of possession and sales of all illegal drugs.

Dr. Thomas Szasz, like Soros, a protégé of Oxford University's Sir Karl Popper, a practicing psychiatrist, and the self-help guru of the libertarian right-wing.

Nicholas Pastore, police chief of New Haven, Connecticut, who launched some of the earliest needle exchange programs in the country—dispatching police to hand out hypodermic needles to known heroin addicts—and publicly pushed for drug legalization.

R. Keith Stroup, one of the earliest lobbyists for dope legalization, founder of the National Organization for the Reform of Marijuana Laws.

Michael Michaelson, an attorney with the prestigious Washington law firm, Covington and Burling, who also pushed for "medical marijuana" to be accepted by the courts.

Ethan Nadelmann, former Princeton University professor, now the director of Soros's Lindesmith Center, longtime legalization advocate. Former Secretary of State George Shultz identified Nadelmann as the person who recruited him to the dope legalization crusade.

Joseph D. McNamara, now with the Hoover Institution, former police chief of Kansas City, Missouri and San Jose, California.

Hugh Downs, television news anchor, host of the ABC News broadcast "20/20," and a long-standing peddler of drug legalization.

Thomas Frazier, commissioner of the Baltimore Police Department, under Mayor Kurt Schmoke.

Frank Jordan, ex-San Francisco mayor, and a 34-year veteran of the San Francisco Police Department.

James P. Gray, Orange County, California judge and open advocate of government-regulated legalized drugs.

Herbert M. Klein, Associate Chief Judge of the Eleventh Judicial Circuit Court in Dade County (Miami), Florida.

Robert G. Newman, president of Beth Israel Medical Center in New York, and a leading advocate of the private dispensing of methadone to heroin addicts.

Dennis Peron, founder of the San Francisco Cannabis Buyers Club, which illegally provides marijuana to an estimated 6,000 San Franciscans, and a leading figure in the Soros-funded 1996 California ballot initiative Prop. 215, to legalize "medical marijuana."

The Cali Cartel gets in on the act

In addition to the Americans, a number of international dope activists have been given the DPF cash awards, including leading soft-on-drugs prosecutors and law-makers from Canada, the Netherlands, Britain, Australia, and Germany. Perhaps the most flagrant instance of the DPF prize money being used to reward a prominent fixture in the drug cartels was the 1994 presentation of the \$100,000 Richard Dennis Drugpeace Award to Gustavo de Greiff, then the Prosecutor General of Colombia, and a notorious ally of the Cali Cartel. In a 1994 speech he delivered at a Drug Policy Foundation event hosted in Baltimore by Kurt Schmoke, de Greiff came out calling for drug legalization, lying that, "The profits are so large that it is a delusion to think killing or jailing major traffickers will make a dent in the drug trade. . . . In the end, the only solution is legalization, with regulations to control the market."

In early 1996, in the midst of the battle over whether the Clinton administration would withhold certification from the Colombian narco-regime of President Ernesto Samper Pizano, himself a leading figure in the international dope legalization lobby from the mid-1970s, *EIR* had the following to say about De Greiff:

"One week after Samper's inauguration, outgoing Prosecutor General Gustavo de Greiff ruled that there was no evidence to warrant an investigation of President Samper in connection with the 'narco-cassette' revelations. De Greiff's daughter, Monica de Greiff, had been a treasurer for the Samper Presidential campaign in its early days, and was herself later discovered to have ties with the Cali Cartel. Gustavo de Greiff, like Samper, an ardent advocate of legalized drugs, was named Colombian ambassador to Mexico. In August 1995, it emerged that de Greiff had been a business partner with the Cali Cartel's Gilberto Rodríguez Orejuela in El Dorado Airlines, in 1980, when Rodríguez was already identified as a drug trafficker. The former Prosecutor General is also being sought for questioning by the United States for his possible role in obstruction of justice, in a case involving a Cali Cartel hit man."

Isn't it time for the Internal Revenue Service, the Federal Election Commission and the Justice Department to each take a closer look at the so-called "charitable" tax-exempt activities of Soros, Dennis, and the Drug Policy Foundation? It might very well lead to one of the most fruitful racketeering probes in recent memory.

Drug legalization gets boost in U.S.

by Scott Thompson

Numerous of George Soros's drug-legalizing minions have informed *EIR* and other journalists, that right now the billionaire speculator is reaching for his personal checkbook, to fund a new round of drug-legalizing referenda in the United States. According to Ty Trippit, one of Soros's Open Society Institute cronies, Soros will finance the drug legalization ballot initiatives out of his own pocket, so as not to jeopardize the 501(c)3 tax-exempt status of his multitude of foundations, by having them engage directly in politics. Trippit also confirmed that as many as 24 ballot initiatives to legalize Schedule I drugs may be put before voters in the November 1997 elections, and already, initiatives are well under way in Washington, D.C., Washington State, Oregon, and Arizona (again).

David Fratello, a spokesman for Americans for Medical Rights, a Soros-funded organization whose affiliate, Californians for Medical Rights, led the fight for a November 1996 initiative for "medical use of marijuana" which was more than one-third funded out of Soros's pocket, confirmed that there are numerous ballot initiatives waiting to go, if Soros provides the funds. However, Fratello refused to reveal what states were targetted until the ballot initiatives are well under way.

In November 1996, Americans were shocked to discover that voters in California and Arizona had passed Propositions 215 and 200, respectively. These initiatives said that a doctor could prescribe Schedule I (i.e., extremely dangerous) drugs to anyone, including children, for "medicinal purposes." While the California initiative limited prescriptions to marijuana, the Arizona referendum permitted the prescription of Schedule I drugs ranging from heroin to crack cocaine to LSD. Although the Clinton administration attempted to counter the Soros-funded propaganda blitz in the last two weeks of the campaign, up until that point, Washington, D.C. was caught napping. White House Drug Policy Adviser Gen. Barry McCaffrey (ret.) has made it clear that his office does not intend to allow that to happen again.

ACT-UP targets Washington, D.C.

Now, with the active support of Soros's Open Society Institute's Lindesmith Center, the nation's capital has been targetted for pro-drug propaganda. In a July 22 article in the *Washington Times*, entitled "Does Marijuana Really Cure?" Manon McKinnon, a policy analyst with Jack Kemp and William Bennett at Empower America, wrote:

"A signature petition is being circulated to generate a ballot initiative legalizing marijuana for medical use in the

McCaffrey denounces drug legalization drive

White House Drug Policy Adviser Gen. Barry McCaffrey (ret.), in a July 22 news release, announced that the Clinton administration will strongly oppose the Washington, D.C. ballot initiative to legalize the so-called medical use of marijuana. McCaffrey described the initiative, which is backed by George Soros, and organized by the homosexual activist group ACT-UP, as "the latest effort to undermine sensible drug-control policies designed to keep marijuana, cocaine, heroin, methamphetamines, and other dangerous substances away from the nation's children."

McCaffrey elaborated his opposition to Initiative 57, the "Legalization of Marijuana for Medical Treatment Initiative of 1997," in a letter to U.S. Rep. Eleanor Holmes Norton (D-D.C.), Financial Control Board Chairman Andrew Brimmer, Board of Education CEO Lt. Gen. Julius Becton, Mayor Marion Barry, and Acting City Council Chairman Linda Cropp. McCaffrey pointed out that the U.S. government demands strict standards of scientific analysis, before permitting any drug to be legally prescribed as a treatment for disease. "The weight of scientific evidence to date demonstrates marijuana is not a benign

drug. . . . Research shows that smoked marijuana damages the brain, heart, lungs, and immune system. It impairs learning, and interferes with memory, perception, and judgment. . . . Last month, the National Institute of Drug Abuse released two studies confirming that marijuana's addictive mechanism acts on the brain in a manner similar to that of cocaine and heroin." McCaffrey called on all District officials to join with the Clinton administration in mobilizing to defeat the referendum.

Even the Dutch government, which legalized marijuana and its retail sale at bistros, has acknowledged that the argument that marijuana is a "medicine," is a fraud. Recently, Dr. Lousberg, the Dutch Health Ministry's chief inspector for pharmacy and medical technology, forbade the prescribing of marijuana, in an open letter to doctors and pharmacists in the Netherlands. He said that there is "no scientific proof for the therapeutic application of hemp." Earlier this year, the Dutch Health Council urged the health minister to ban the medical use of marijuana because of a lack of evidence of its medical benefits.

When one of the world's most irresponsible nations, with respect to drug policy, comes out firmly opposing the idea of "medical marijuana," the message ought to be clear: The "medical pot" issue is a hoax; it is a foot in the door for the latest round of drug-legalization treachery.

—Jeffrey Steinberg

nation's capital. The sponsor of the petition, Steve Michael, is founder of the AIDS Coalition to Unleash Power (ACT-UP), and that group is currently gathering signatures to put the initiative on the next city-wide ballot—perhaps as early as December. . . .

"The phenomenal irony! Mexico and Colombia must be splitting their sides. Surely if those countries' combined drug cartels were to devise a one-step plan to turn America's National Drug Control Policy into a global laughing stock, they could hardly do better than this. The initiative, so clearly in opposition to the Clinton administration's announced drug control plan, is brewing in the front yard of the drug czar, the Congress, and the President."

The provisions in ACT-UP's "Legalization of Marijuana for Medical Treatment Initiative of 1997," include:

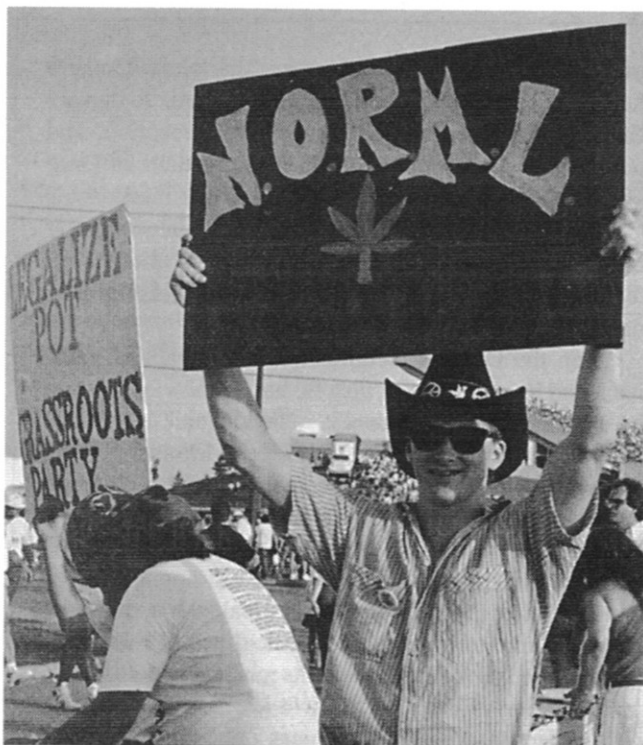
- "Legalize, for medical purposes, possession, use, cultivation and distribution of marijuana."
- "Require the Commissioner of Public Health to propose to the D.C. Council a plan providing for distribution of marijuana to qualified patients enrolled in approved programs."
- "Allow marijuana to aid in treatment of HIV/AIDS, glaucoma, muscle spasms, cancer therapy, and other serious illnesses."

According to ACT-UP head Steven Michael, this homosexual AIDS activist group has been in negotiations with Soros to get funding for the initiative. . . .

Already, ACT-UP has the support of Soros's local drug-legalizing front groups, including the Marijuana Policy Project (MPP). Despite its work with Federal and state legislators ostensibly on more limited "medicinal use of marijuana" legislation, this group is also working hand-in-glove with ACT-UP, which some experts have called "the Weathermen of the AIDS activist movement." A leader of MPP admitted that it had received almost all its funding from a grant from the Drug Policy Foundation, which has received some \$15 million from Soros, including all of the DPF's grant money.

Soros likes to talk about an "Open Society." Ironically, a trained psychologist diagnosed Michael as suffering from a paranoid personality disorder, when he refused to say through whom he was negotiating for funds with Soros, how many petitioners ACT-UP had, and whether allegations were true that ACT-UP was buying signatures from people in homeless shelters. All Michael would admit to, is that they had gathered one-quarter to one-third of the signatures they need.

ACT-UP's activity also involves other prominent political figures. On Aug. 7, Charlie Rose revealed in the *Washington Times* that some very strange bedfellows are gathering



Activists from the National Organization for the Reform of Marijuana Laws (NORML) raise the flag for legal dope in Des Moines, Iowa, 1990.

around the "Get LaRouche" task force leader, former Massachusetts Gov. William Weld (R), to help win him confirmation as U.S. ambassador to Mexico. According to the *Washington Times*, Weld is getting the backing of ACT-UP, which is pushing for Weld because of his support for legalized marijuana when he was governor of Massachusetts.

Arizona, all over again

Arizona's Proposition 200, passed by a duped electorate in November 1996, was run by a group of Libertarians centered around the Goldwater Institute in Phoenix. Under the nominal leadership of Goldwater Institute then-Chairman John Norton, Goldwater Institute board member Sam Vagenas ran the show. And, Republican conservative stalwart Barry Goldwater applauded from the sidelines.

However, this is only half the story. Of the \$449,000 raised for the Arizona initiative, according to filings with the secretary of state, \$440,000 came from Soros's pocket. Vagenas, who acts as a Soros hatchetman, was in regular contact throughout the ballot initiative with Soros's hand-picked head of the Lindesmith Center, Ethan Nadelmann, who was a board member of the DPF, which also contributed polling fees.

After Arizona Proposition 200 passed, the Arizona state legislature reversed the decision that would have allowed two doctors to prescribe any Schedule I drug for "medicinal purposes." Another Soros-associated front, the National Organization for the Reform of Marijuana Laws, then argued before

a Federal judge that the tax stamps for illegal drug sales that the state legislature had also enacted, meant that even recreational drugs have now been legalized. Meanwhile, Vagenas, who claims that he had nothing to do with the NORML initiative, has gotten the Proposition 200 initiative put on the ballot again. In addition, he has gotten a second initiative put on the ballot, which states that the Arizona legislature had no right to reverse Proposition 200, if it were to be approved by the electorate a second time. This has created a stay in the Arizona state legislature ban until 1988.

Vagenas is also working with Tim Killian in Washington State, where sufficient signatures were recently filed to qualify a version of Proposition 200 for the ballot. The only difference from Proposition 200, according to Vagenas's former boss, John Sperling, head of the University of Phoenix, is that instead of doctors being free to "prescribe" all Schedule I drugs, they could "recommend" their usage. Killian said that this wording is designed to find a loophole in the Federal law against such prescription. While negotiations for contributions are under way with Soros, one large contribution, from Sperling, has already come in. Sperling had been the second largest contributor to the campaign for Proposition 215.

According to Soros's Lindesmith Center, petitioning is under way in Oregon for the Campaign for Restoration and Reformation of Hemp (CRRH), which is a multi-purpose referendum. Jim Better of CRRH explained to a journalist that the referendum would not only permit the production of highly potent marijuana for "medicinal purposes," but it would also allow for the massive production of low potency hemp (marijuana) plants for a variety of purposes, ranging from fiber production, to use in diesel oil, to inclusion in a protein-based food supplement. Better claimed that hemp production is one of the greatest cash crops for farmers in the United States today, but that most of the fiber must be thrown away, because the crop is grown for illegal recreational use. He claimed that application was going to be made to Soros for funding for the referendum.

Already, members of the European Union, such as France, subsidize the growing of hemp for industrial use. And, the Home Office in the United Kingdom has begun licensing the growing of hemp, under the personal imprimatur of Queen Elizabeth II. In an article in the *Sunday Telegraph* on July 23, 1995, entitled "Opening the Stable Door to Grass That Is Greener," the author wrote, "Hemp is a wonderful crop. Anyone could grow it. It's almost addictive to watch it grow, three inches a day. It's like a Triffid." The article read in part:

"This is probably the most discreet world exclusive in the history of newspapers. The company involved would like to keep it low key indeed. Nevertheless, I can now reveal that for the last two weeks, as a trial only, horses in the Royal Mews at Buckingham Palace have been going to sleep every night on bedding made entirely of cannabis."

The article reports that hemp is going to be used as an export crop, largely to the United States.

Currency war aimed at the nation-state

by Richard Freeman

On July 28, Malaysia's Foreign Minister Abdullah Badawi, addressing the foreign ministers conference at the annual ministerial meeting of the Association of Southeast Asian Nations in Malaysia, called George Soros's multibillion-dollar speculative attacks on Southeast Asian currencies, "the height of international criminality. . . . It is time that we recognize these actions for what they really are, namely, villainous acts of sabotage." Badawi was responding to the fact that financial terrorist Soros had spent July attempting to destroy the Malaysian currency, the ringgit. Starting in February, gathering force in June and July, Soros has been hammering at the Thai currency, the baht, through speculative shorting operations. According to Thailand's finance minister, Thailand's central bank spent—and lost—\$19 billion from its hard-earned official reserves defending the baht. Unofficial figures show that the amount spent from Thai reserves may have actually been \$30 billion.

While Soros destroys populations through his pushing of drugs, he also crushes nation-states, through his main occupation, running a high-leverage hedge fund that speculates against currencies. Soros and his Quantum Fund are a hired gun for the Club of the Isles oligarchy to conduct warfare against the nation-state. In these currency raids, Soros employs a large amount of money that is not his, but rather, leverage—borrowed money—lent to him by a group of London-centered banks. It is these bankers, and the British Privy Council, that Soros works for.

Once a country is targetted, Soros and his allies in other hedge funds will pour billions of dollars, using a 20:1 leverage, into the fight to break a nation. Once weakened, a nation will be subjected to such unsavory alternatives, as was Thailand, as having to borrow from the International Monetary Fund, and then being subject to the IMF's dictates. While some Southeast Asian nations are encountering Soros's wrath for the first time, his track record goes back to 1992.

Destroying the European Monetary System

In July 1992, Soros set out to break apart the European Monetary System (EMS), as a stable arrangement of European currencies, by taking on the weak-link, the British pound sterling. After several assaults, the pound slipped below the floor of the EMS in August. On Sept. 4, Britain began borrowing on an emergency \$14.5 billion credit line from Germany

and other European nations to defend the pound. Ultimately, despite the efforts of the Bank of England and the German Bundesbank, in which they lost several billion dollars, the pound sterling withdrew from the EMS.

At the same time, Soros turned his guns against the Italian lira. Over several months, the Banca d'Italia spent—and lost—\$48 billion in its effort to prop up the lira, which kept plunging. Between September and November 1992, it fell by 28% against the German mark. Soros had a dual purpose here: On June 2, a secretive meeting of top British financial sharks, including the Barings Bank crowd and S.G. Warburg, met off the coast of Italy on Queen Elizabeth II's royal yacht *Britannia*, with the anti-state group inside Italian government and business, to plan out the thorough privatization of the state sector. The Soros raid against the lira meant that the government's resistance to privatization would be weakened, and the valuable Italian state sector could be bought up for a song.

The key to Soros's operation is his use of leverage. A Nov. 9, 1992 *Forbes* article reported that Soros and other speculators would usually be able to borrow on a margin of 5%, so that for every \$50 million he put up, he could borrow \$1 billion from London and Wall Street banks. This allows him to make 20 times the normal profit from currency speculation. For example, take Soros's speculation against the lira. Between September and November 1992, it fell from 765 to the deutschemark, to 980, a drop of 28%. But with a 20:1 leverage, Soros would have made 20 times 28%, or 560%. If he put up \$100 million in speculative short operations, he would make \$560 million. Indeed, in September 1992, between his speculation on the pound and the lira, Soros and the clients of his four Netherlands Antilles-based pools, netted \$1.5 billion. Also during 1992, Soros speculated against the French franc, and in 1993, he trained his guns at the deutschemark.

Conducting warfare against Soros

The tables can be turned on Soros: On Oct. 27, 1995, Paolo Raimondi, president of Italy's International Civil Rights Movement Solidarity, collaborators of Lyndon LaRouche in Italy, presented a legal brief to the Italian state prosecutor in Milan, requesting he open an investigation into Soros's 1992 speculation against the lira. The legal action has become the focus of major national press and media coverage on several occasions. The main Italian dailies, such as *Corriere della Sera*, *Il Tempo*, and *La Stampa*, plus the main economic and political weeklies, have given detailed accounts under such headlines as, "Speculation: Soros under Investigation," "Soros, the Vulture of the Lira," and "Soros Denounced."

Raimondi's legal brief documents, blow by blow, the "criminality" and "villainous acts of sabotage," which Malaysian Foreign Minister Badawi has denounced for his part of the world.

British Lords mount drug legalization offensive

by Mark Burdman

During the month of August, the British establishment, through the agency of members of the House of Lords and the main media representatives of the City of London, has radically escalated its campaign for the legalization of drugs, worldwide. The propaganda for drug legalization has been massive in Great Britain itself, while it has also been picking up steam in key Commonwealth countries, including Canada, Australia, and New Zealand.

Not surprisingly, one finds, at the center of such efforts, leading collaborators of George Soros. These individuals make no secret of the fact, that their policy is aimed, strategically, at forging a Europe-wide pro-drugs bloc against the United States, and against the Clinton administration's aggressive "War on Drugs" approach.

Huxley, Mill, and Mandeville

The propaganda barrage of the drug legalizers began to go into high gear on Aug. 9-10. Over that weekend, a five-year-old child was killed by drug gangs, in the English constituency of Bolton Southeast. The emotions unleashed by that tragic killing were cynically exploited by the drug lobby, to blame the child's death on the fact that drugs are illegal. Were this "prohibitionist" approach to end, crime would diminish, so the argument went.

On Aug. 10, the parliamentarian for the district in which the killing occurred, Brian Iddon, was interviewed on the U.K.'s "World This Weekend" television show. He argued for the creation of a Royal Commission on drug policy, and for the launching of a national debate on the subject. Iddon's appeal received extensive media coverage over the next couple of days.

Joining him on that show was Arnold Trebach, head of the Drug Policy Foundation in Washington, D.C. Trebach denounced the work of White House drug policy adviser Gen. Barry McCaffrey, as a failure, and advised Britain's Tony Blair government not to carry through on its Election Manifesto promise, to appoint a drug tsar for Britain.

There was more to those comments, than met the eye. The Drug Policy Foundation is financed by Soros, as one of many pro-drug projects that Soros is bankrolling in the United States. On Dec. 2 of last year, General McCaffrey had joined with a number of leading individuals in the U.S. "War on Drugs" effort, in testimony before a U.S. Senate committee, to denounce Soros for his role in financing referenda in Cali-

fornia and Arizona, favoring the decriminalization of drugs.

The promotion of Trebach on British TV was consistent with another pattern. In August, the London *Economist* and *Financial Times* have been going to great lengths, to defend Soros's speculation activities, against criticism of him by Malaysian Prime Minister Mahathir Mohamad and other Southeast Asian leaders, who are concerned with protecting their currencies against the havoc being wrought by Soros and other speculators. The pro-Soros advocacy was kicked off by an editorial in the *Economist* on Aug. 2, demanding a halt to attacks on "rogue speculators" by Mahathir and others.

The *Economist* is the principal mouthpiece for the drug legalization lobby, a function it has played for years. (See, for example, Mark Burdman, "Queen Knights Head of Pro-Drug 'Economist,'" *EIR*, Feb. 3, 1989.) Indeed, in its Aug. 16 edition, in a news article profiling the growth of drug-linked crime in Britain, the British magazine called once again for legalization of drugs.

As for the *Financial Times*, its pro-Soros efforts reached a crescendo, with an editorial entitled, "In Praise of Speculation." During July-August, the newspaper has published a series of commentaries by "libertarian/free market" fanatic Martin Wolf, arguing in favor of drug legalization.

On July 29, Wolf began the first part of his series, by quoting the late Aldous Huxley, author of *Brave New World*, and an enthusiastic user of hallucinogenic drugs, in favor of his argument: "Most men and women lead lives at the worst so painful, at the best so monotonous, poor and limited, that the urge to escape, the longing to transcend themselves, if only for a few minutes, is, and always has been one of the principal appetites of the soul." Wolf also quoted from the 1859 essay "On Liberty," by British East India Company propagandist John Stuart Mill, to back up his case.

Wolf followed up two weeks later, with a piece insisting that *all* drugs, and not just the "soft" ones like cannabis, should be legalized, because "vices must be tolerated." In private discussion, Wolf acknowledges that his argument derives, in significant part, from that 18th-century Anglo-Dutch pervert Bernard Mandeville, who promoted that "private vices" must be tolerated, since they necessarily lead to "public virtues."

The *Economist* and *Financial Times* pieces have been complemented by letters to the editor, news articles, etc., in such liberal papers as the *Guardian* and *Independent*, promoting the drug legalization agenda.

Lords for drugs

A major push for legalization is emanating from the House of Lords. The key figure in this, is one Lord Nicholas Rae, a medical practitioner. Two of his collaborators in the House of Lords are Lord Moyne, a scion of the influential Guinness family (drinks, financial operations); and Lord Mancroft, a reformed drug addict, who has recently been in the middle of a controversy surrounding the collapse of a "cyberspace bank" in Antigua, the which was being used for money laundering by Russian mobsters.

These men are backed by a cluster of Lords who stepped forward last year, to "robustly" protest the Clinton administration's decisive action against Colombia's cartel-run government of Ernesto Samper Pizano. Taking the lead in urging Her Majesty's Government to "make representations" to the Clinton administration over its pressure upon the Samper government, with which Britain has such "excellent relations," was Viscount Montgomery of Alamein (son of the late Field Marshal Montgomery), and Baron Pearson of Rannoch.

These *Samperista* Lords were also eager, at that time, to get the House of Lords to "debate" the value of legalizing drugs, while pushing the legalizers' familiar line that it is the United States that is *the cause* of the global narcotics trade, with the lie that, as Viscount Montgomery lisped, "demand is what is causing the whole drug problem . . . and the biggest demand is something that exists in the U.S. It *comes from* the U.S., which is the world's largest area of consumption. So, you only have supply because there is demand; it's not the other way around."

Two organizations

Lord Rae is involved with two organizations promoting the drug legalization offensive. One is the Drug Policy Review Group, composed of police officers, doctors, lawyers, judges, economists, clergy, and academics. For the past ten years, the DPRG has worked, on a confidential basis, drawing up reports for the European Commission and performing other functions. It has now decided to go public. It is headed by Dr. John Marks, a consulting psychiatrist. Marks is quite well known in Britain, for having pioneered a program in needle exchanges and free distribution of heroin in Liverpool. The DPRG wants to change Britain's laws on drugs.

The other group that Rae is patronizing, based in Bristol, is called Transform, and draws upon the work of various lawyers, psychiatrists, and businessmen.

The drug legalizers are counting on support, inside the Blair government, from Clare Short, minister for overseas development, who has gone on record supporting "drug decriminalization." In the Conservative Party opposition, they are counting on support from Alan Duncan, the chief adviser to the recently elected head of the Conservative Party, Margaret Thatcher protégé William Hague. Duncan is a pro-free trade maniac, who, in his former incarnation, worked for wheeler-and-dealer Marc Rich, the fugitive from U.S. justice.



An addict in Frankfurt, Germany. While human lives are ruined by the drug scourge, British oligarchs call for a "more relaxed" treatment of narcotics by the authorities.

'The British view has always been different from the American'

As per the referenced House of Lords' diatribe against American policy in Colombia, the following Aug. 15 comments, from a leading British proponent of the legalization of drugs, should be highlighted:

"American policy has always been the driving force behind prohibition of drugs, arguably since the beginning of this century. The beginning of the prohibition of heroin and other dangerous drugs was the treaty agreement in Shanghai, just before World War I, with the United States. Until that time, drugs were legalized, and that approach was supported by the British Empire. After all, we had fought two Opium Wars, to allow the export of opium from India, into China."

This individual stressed: "British policy has always been much more relaxed than the American policy. Opium was very widely consumed in Britain, in the late nineteenth-early twentieth century, and not least by the upper classes. . . . The whole general attitude to drugs in British society, and among the British elites, has been quite remarkably *relaxed*. It only changed, here in Britain, in the 1980s, and that was partly due to the influence of the United States. There is a very widespread view, in Britain and *other* European countries, that the American model of prohibition, with the tendency toward violent invasions of other countries, military-style actions, police raids, etc., is *very destabilizing*. The historical British view has always been very different from the American, and my estimate, is that it will diverge even more now. I suspect this new government here, will probably be more open to changes in policy, and will take a much more relaxed approach."

The Crown's agents plot to drug a nation: the case of Australia

by Allen Douglas

On July 31, after five years of debate, the Health and Police ministers of Australia's eight states and territories approved, by a 5-3 majority, a trial program to prescribe heroin to 40 addicts in the Australian Capital Territory (A.C.T.), the area surrounding Canberra, Australia's capital. The trial was to be loosely modelled upon a similar one in Berne, Switzerland, where shooting galleries were set up by the government, which then supplied several daily "fixes" to addicts. Under the Australian plan, a housewife could drop off her children at a local daycare center, get her fix, and, after composing herself, pick up her kids and be on her way. After a trial period in Canberra, the program was to expand to other states.

Australians greeted the ministers' decision with outrage, as reflected in blistering statements from the churches and the Salvation Army, in particular, and by Queensland Health Minister Mike Horan, who said, "It's a backdoor way of trying to legalize heroin. This is really about drug addicts being offered the drug of their choice, and when we're fighting to keep young people off the drug scene, it is just running up the white flag and giving the worst possible message."

After sniffing the political winds, Prime Minister John Howard suddenly reversed his government's approval of the trial, including its pledges to fund it and to change Federal laws to enable the importation of \$150 million in heroin. On Aug. 19, Howard announced that, "after a very intense discussion, the Cabinet has decided that the Federal government cannot support the heroin trial in the A.C.T., and we've indicated to the A.C.T. chief minister that we are withdrawing all cooperation as a Federal government." The program, for the moment, is dead.

This was a stinging, personal defeat for George Soros, in his global war for drugs: The architect and chief lobbyist for the heroin trial, who had proposed it already back in 1991, was his main agent in Australia, Member of the Canberra Legislative Assembly Michael Moore. Through their aggressive attempts to legalize drugs in Australia over the last two years, Soros and his drug-pushing pals have exposed themselves, and their methods. They are thus vulnerable, and must be hit hard.

So, we pick up the trail downunder, of Soros, his sponsors

in the Rothschild family, and some of that family's Australian business associates, such as the much-investigated friend of the Queen, Kerry Packer.

Drugs and free trade against the nation-state

In late July, Malaysian Prime Minister Dr. Mahathir Mohamad attacked Soros, by name, for speculating against Malaysia's currency, and "undoing all the hard work we have done" to build the nation. Asked if he regarded Soros as a criminal, Mahathir chose his answer carefully. "Well," he said, "as much as people who produce and distribute drugs are criminals, because they destroy nations, the people who undermine the economies of poor nations are, too."

Dope and free trade, including unrestrained speculation, are the historic weapons of the British Empire. Throughout the second half of the nineteenth century, as even schoolchildren once knew, these were the two legs on which that Empire strode the globe, as best exemplified by its Opium Wars against China, to secure the "free trade" right to poison the Chinese people. The British still use these methods today, albeit in a more sophisticated form than when John Bull's gunboats rained their shells upon his victims. To understand them, some history is essential.

Following President Abraham Lincoln's victory over Britain's puppet Confederacy in the Civil War, the growing economic and military power of the United States demonstrated the "American System" of dirigism and protectionism to be a unique guarantor of national sovereignty, in the face of British or other imperial onslaughts. Under America's sponsorship and protective umbrella, a new group of nation-states, including Russia, Germany, and Japan, adopted these policies. To British consternation, Australia, where the Empire had once dumped its political prisoners, soon did, also, to the point that its Labor Party, founded in the 1890s, took the American, as opposed to the British spelling ("Labour") of its name. A horrified Colonial Office in London rewrote the constitution by which Australia was founded as a nation in 1901, to eliminate what it called "American tendencies." In 1911, under the leadership of American immigrant King O'Malley, who proclaimed himself to be "the Alexander

Hamilton of Australia," the Labor Party founded a national bank, the Commonwealth Bank, modelled on U.S. Treasury Secretary Alexander Hamilton's prescriptions. This new bank funded great infrastructure projects, such as the first Australian transcontinental railway, and spurred national development. Under these conditions, Australia enjoyed one of the world's highest living standards, and called itself "the Lucky Country."

The British bitterly opposed the Commonwealth Bank, but had to allow some economic development, to prepare Australia as a British ally in World War I, just as they had to tolerate such development in other nations, at other times, in preparation for war, as when Churchill's "Iron Curtain" doctrine proclaimed America's former wartime ally, the Soviet Union, to be the new enemy. As Lyndon LaRouche has emphasized, in the "détente" which followed the Cuban missiles crisis and the assassination of John F. Kennedy, the British dismissed such economic development as unnecessary, and unleashed their old weapons against the nation-state: dope and free trade, the former via the rock-drug-sex counter-culture and its environmentalist offspring, and the latter in its modern incarnations of "deregulation," "privatization," "level playing fields," and so on.

A chief coordinator of this assault was the Mont Pelerin Society, founded in 1947 to combat the methods of dirigism unleashed by War II. Mont Pelerin was a project of the Crown: Its major financier throughout the 1950s, as partially admitted even in the standard history of the Society, *Thinking the Unthinkable: Think-Tanks and the Economic Counter-Revolution, 1931-1983*, was City of London magnate Harley Drayton. Though little-known outside the City of London's square mile, Drayton managed the fortunes of both the Church of England, and of the Crown.

By the early 1970s, Mont Pelerin had set up hundreds of think-tanks worldwide, including several in Australia, which are today Soros's staunchest allies on the continent. As LaRouche's Australian associates in the Citizens Electoral Council have documented in their newspaper, the *New Citizen*, these Australian Mont Pelerin Society fronts brainwashed both major Australian political parties, Labor and Liberal, into adopting the British agenda of "free trade," under all its labels. And, befitting their sponsorship by the Crown, these Mont Pelerin progeny have become ever more strident in advocating legalized drugs.

Figure 1 (adapted from the *New Citizen*) shows how this works. On the left-hand side, are the Mont Pelerin Society and its spawn. Typical of the lot, is the loud-mouthed newspaper columnist Padraic P. McGuinness, of the Center for Independent Studies. Said McGuinness to the *Weekend Australian* of March 18-19, 1996, "The truth about heroin is that in a pure form, taken correctly, it does very little harm to most people. Moreover, it is quite cheap to produce. When it is taken intravenously, it can be hopelessly addictive—but only in rare cases is this addiction incapacitating. Many addicts have led

normal lives, in good health. The problem is not the heroin itself, but the illegality and the cost of it."

The right-hand side begins with N.M. Rothschild and Sons, Ltd., private bankers to the Crown since the nineteenth century. Once again, it is the old story of dope and free trade: Since becoming the chief advisers for the Thatcher government's "reforms," the Rothschilds have led the charge worldwide for the privatization (looting) of state assets, while they simultaneously sponsored Soros's crusade to legalize drugs. Drugs are part of the family business, as documented by *EIR* in the bestseller, *Dope, Inc.* It is no surprise, therefore, that the main Australian institution leading the charge for legal dope downunder, the Australian Drug Foundation (ADF), is a bunch of Mont Pelerin privatizers funded by the Rothschilds. The longtime chief fundraiser and president of the ADF was Sir Peter Derham, the chairman of Rothschilds, Australia. During the first half of 1997, in which this crowd was hell-bent to legalize heroin, they also negotiated the privatization of some \$12 billion of Australia's extensive, American System-derived state sector—a record unmatched in the world for that period.

Nor is it surprising that the other main adviser in the Australian privatization process, CS First Boston, is also up to its eyeballs in dope. Crédit Suisse—the "CS" of CS First Boston—was caught red-handed on Feb. 7, 1985 in a multibillion-dollar drug-money-laundering scheme. The case was later covered up by corrupt U.S. Attorney William Weld, whose family investment bank, White Weld, had a business partnership with CS First Boston.

Soros's errand boy in Australia

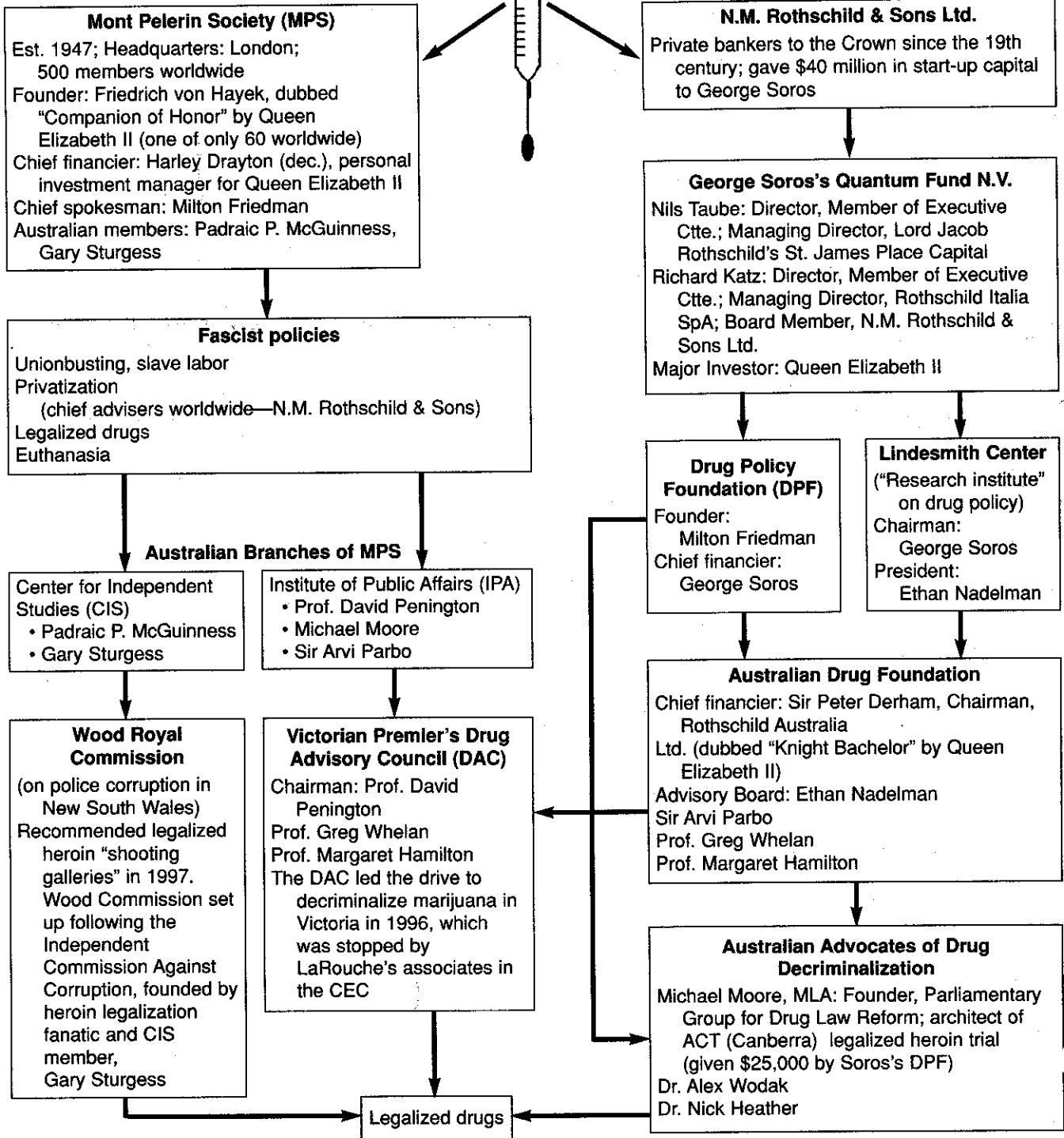
Michael Moore, the chief lobbyist for the Canberra heroin trial, has been an independent member of Canberra's Legislative Assembly (state parliament), and is a Councillor to the Mont Pelerin Society's Institute of Public Affairs—at least when he is not running errands for Soros, whose Drug Policy Foundation has given him at least \$25,000, and awarded him its 1994 Justice Gerald Le Dain Award for Law. Moore is the founder-president of the Australian Drug Law Reform Foundation, the originator of the Australian Charter for Drug Law Reform, which calls for an end to "prohibition" of drugs and which he has brainwashed 100 Australian MPs to sign, and the convenor of the Parliamentary Group for Drug Law Reform. He is also associated with the Friends and Family of Drug Law Reform, another Soros-linked group, which parades victims of the drug plague before the public to call for legalizing drugs. Like Soros, Moore is a passionate advocate of euthanasia, and was the chairman of the A.C.T.'s Select Committee on Euthanasia in 1993. He is also a member of the UN Association of Australia, and of Prince Philip's Australian Conservation Foundation, which the dirty Duke of Edinburgh founded in 1963 as a branch of his World Wildlife Fund, to assault Australia's agriculture and industry through "aboriginal land rights" and radical environmentalism.

FIGURE 1

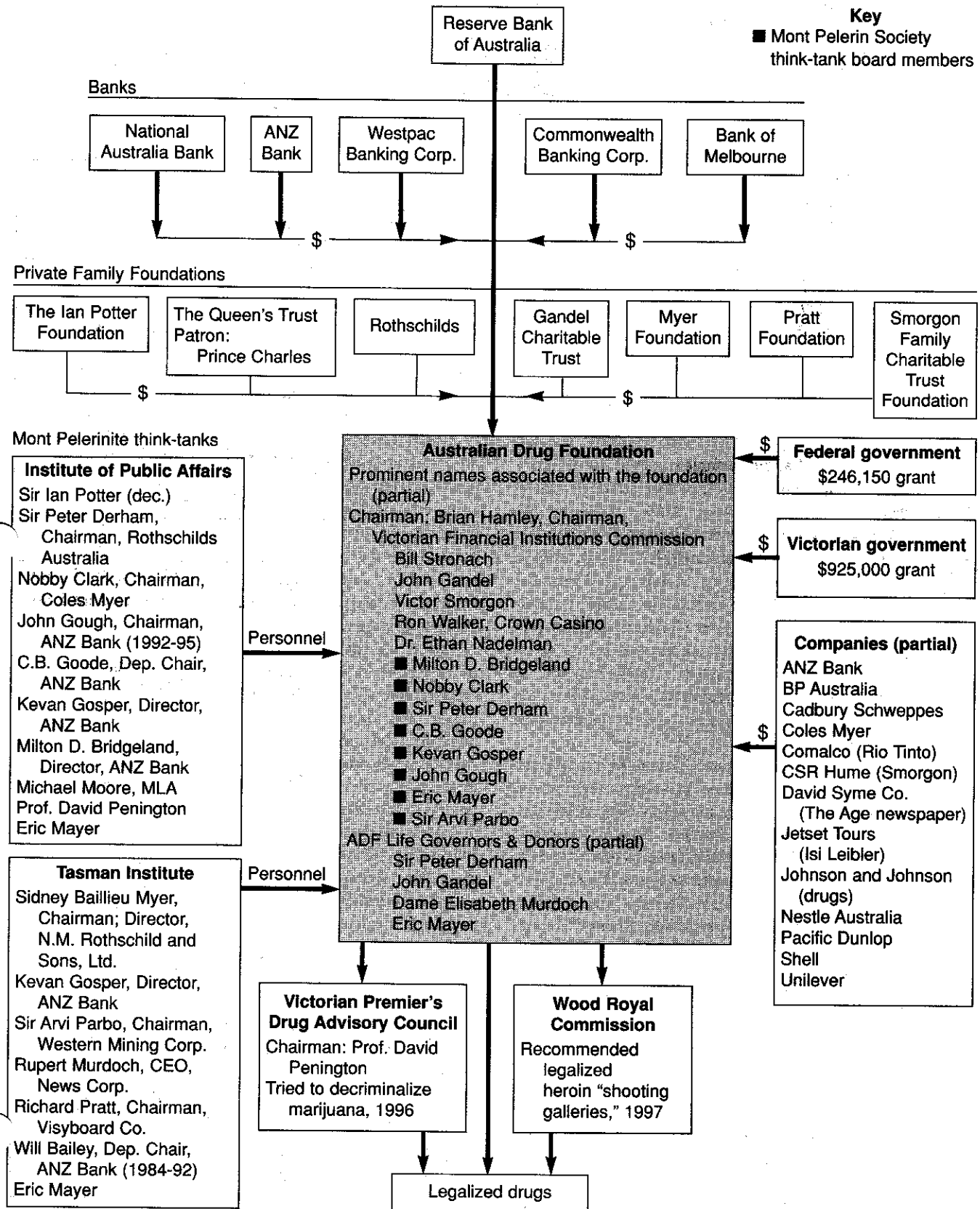
Legalized drugs policy

From the British

Crown to you!



Australia's pro-dope mafia



The mad drive to legalize drugs

Australia's two most populous states, Victoria and New South Wales, both switched their votes from last year, to approve Moore's heroin trial. In both cases, they did so under the influence of British assets in the Mont Pelerin Society.

Victorian Premier Jeff Kennett is the protégé of a bigwig in the Institute of Public Affairs (IPA), John Gough, a former chairman of the ANZ Bank. The IPA and its sister Mont Pelerin front, the Tasman Institute, wrote the script for Kennett's government, "Project Victoria," under which he has privatized \$15 billion in state assets since 1992 (far more than any other state in Australia), privatizations whose resulting unemployment have devastated entire areas of his state. He has also ruined the state's once-proud health system by closing six hospitals; Victorian residents now die in parking lots, or at home, because they cannot get access to medical care, while ambulances race from hospital to hospital, seeking, often in vain, for an open bed.

As befits a Mont Pelerin poster boy, Kennett has also led the crusade in his state for legal dope. An alleged "conservative," he shocked many people in 1996, when he reversed his previous stance against loosening drug laws, to furiously campaign for the decriminalization of marijuana. When he appointed a Drug Advisory Council (DAC) to "study" the issue, Victorian parliamentarians from his party charged that the DAC, chaired by IPA Councillor Prof. David Penington and stacked with others from the ADF, was rigged from the outset, because all the members of this "impartial commission" were already pro-legalization. The DAC not only recommended that pot be decriminalized, but that heroin be legalized as well. Despite Kennett's efforts, his bill to decriminalize marijuana was defeated by a mobilization led by Lyndon LaRouche's associates in the Citizens Electoral Council.

New South Wales also switched its vote to approve the heroin trial, following a sustained pro-heroin-legalization campaign in which a key role was played by Center for Independent Studies member Gary Sturgess. As *EIR* has documented (July 25, 1997), Mont Pelerin fanatics often raise the banner of "anti-corruption" as a pretense to attack institutions they want to restructure, or eliminate. Sturgess was the architect of N.S.W.'s Independent Commission Against Corruption, which helped pave the way for a two-year, \$75 million Royal Commission into police corruption by Justice James Wood. As scandals broke in the N.S.W. parliament and elsewhere, about pedophilia at the highest levels of society, Wood was assigned to investigate that, as well. Though he found few, if any, pedophiles, Wood determined that the N.S.W. police force was rife with corruption, and that the major source of that corruption was drug money, to which he recommended a two-part solution: 1) to disband the N.S.W. anti-drug squad, which even he had to acknowledge had been "highly effective," but which, he claimed, had fallen victim to a "culture of corruption," and 2) to set up

legalized heroin shooting-galleries, to "take the money out of illegal drugs."

Wood's chief ally in both efforts was the newly appointed N.S.W. Police Commissioner, Peter Ryan. Ryan, a recent import from Britain, was not your average copper: He had been the national director of Britain's Police Training College, and was formerly the chief constable of Norfolk. The latter job, the June 2, 1996 *Sun-Herald* noted, was very sensitive, because it involved "an area that includes Sandringham, the Queen's country retreat, and would have meant that Mr. Ryan would have been in contact with senior intelligence officers, the Royal Protection Squad and the Home Office in London." As part of his war on the N.S.W. police, Ryan sacked 200 officers, and advertised in the British press to find replacements for many of N.S.W.'s top police officials. N.S.W. parliamentarian Peter Collins charged that Ryan was once again trying to make N.S.W.—Britain's first colony on the continent—into a "colonial outpost."

The Australian Drug Foundation

Soros's official institutional collaborator in Australia is the Melbourne-based Australian Drug Foundation, on whose board sits Dr. Ethan Nadelmann, of the Lindesmith Center "drug research" organization which Soros chairs. The ADF's board (see **Figure 2**) is populated with Mont Pelerin fanatics drawn from the Institute of Public Affairs and the Tasman Institute. It is shamelessly financed by Australia's "big four" commercial banks (and the smaller Bank of Melbourne), and by Australia's central bank, the Reserve Bank.

Australia's private banks, on whose boards sit the cream of the country's Anglophile establishment, have long been a chief vehicle of British control downunder. In 1911, when the Labor Party founded the Commonwealth Bank as a *national* bank, the Australian private banking oligarchy squealed. It squealed even more at the outset of World War II, when Labor Prime Minister John Curtin broke with the British, who intended to turn Australia over to the Japanese, in favor of an alliance with President Franklin Roosevelt and Gen. Douglas MacArthur, which won the war in the Pacific and secured Australia's freedom. Curtin died in 1945, and was replaced as Labor's prime minister by Ben Chifley. The government had dirigistically directed credit during the war, by which it had created an impressive industrial base almost from scratch. Chifley intended to continue that deployment of credit for the national good, in order to economically develop the continent. Toward this end, his government passed a bill through Parliament in 1945, to nationalize the banks. The private banks led a near-civil war campaign against the proposed nationalizations, which were finally overturned by the Queen's Privy Council in London. A central bank was set up instead, under British agent H.G. "Nugget" Coombs, who was later to become known as the "father of aboriginal land rights," for his work on behalf of this pretext to stop the economic development of the continent.

It was these private bankers, and associated wealthy families, who founded the Australian Drug Foundation (Figure 2). For the first decade or so of its life, the ADF used to meet in the boardroom of the most British of Australia's banks, the Australia and New Zealand Bank, which was originally based in London, and about which a leading Australian counter-terrorism investigator told *EIR*, "Wherever we have been doing investigations, you'll find ANZ Nominees [which owns the bank] in there somewhere."

Kerry Packer: where the gutter meets Her Majesty

Responding to the July 31 ministerial vote which approved the Canberra heroin trial, Salvation Army Maj. Brian Watters, a noted anti-drug fighter, commented, "The ministers have responded to a carefully crafted pressure campaign of disinformation."

Indeed, the decision had been preceded by a non-stop barrage in Australia's print and electronic media about how the "war on drugs had failed," that "new solutions were needed," and so on. The man who spearheaded that disinformation campaign was Kerry Packer, whose *Bulletin* magazine, for instance, featured the cover story, "Drugs, Why Fight a War We Can't Win?" No account of Soros's drive to legalize dope downunder is complete, without an account of Packer and his friends.

Who is Kerry Packer to be proclaiming defeat in the war on drugs? Besides owning major chunks of Australia's print and electronic media, he is a business partner of the Rothschild family, who teamed up with Lord Jacob Rothschild some years ago to mount a \$25 billion takeover attempt against British American Tobacco. Packer's own fortune is estimated at \$4.1 billion. In Australia, however, Packer is notorious for other reasons.

Back in the early 1980s, a Royal Commission chaired by Queen's Counsel Frank Costigan was charged to investigate criminal activities involving the Federated Ship Painters and Dockers Union. By 1983, Costigan had zeroed in on a man whom he believed to be one of the kingpins of organized crime in Australia, whom he code-named the "Goanna," after an Australian lizard, and whom he believed to be involved in loansharking, tax evasion, pornography, drugs, and murder. The Goanna, it soon emerged, was Kerry Packer.

Packer fought Costigan's investigation. He denied Costigan's charges, though he could not deny that he did have relations with some of the sleazy characters whom Costigan had named as his associates. Crucial documents which Costigan subpoenaed mysteriously disappeared. Such measures, combined with legal delaying tactics, stalled the investigation until a new government under Labor Prime Minister Bob Hawke took power. Hawke, who opened up Australia to privatization and free trade, and who now works for Packer, proclaimed Packer to be a "great Australian," and shut down the investigation.

No charges were ever brought against Packer. But if he were a drug kingpin, the structure of his business would be particularly well-suited for the job, because it is mainly cash. In 1991, a team from the *Sunday Age* travelled all over the world, looking into his empire. On Sept. 8 of that year, they reported that the single biggest trading item of Packer's empire, "is money itself. Documents . . . show the company bought and sold currency to the value of \$5.2 billion during a six-month period in 1986-87."

"Packer's empire is a massive cash box, with vast sums of readily available funds flowing between companies," the *Age* continued. "Cash is also harder to track and trace. Kerry Packer is a master of minimizing his tax bill. Conspress [a Packer company] uses a variety of tax havens, but principally channels money to the Bahamas-based Consolidated Press International Holdings. The directors are Packer, his man in Hongkong, Chris Mackenzie, and James Wolfensohn."

For over a hundred years, Hongkong was the British Empire's center for laundering drug money, principally through the Hongkong and Shanghai Bank, and such old British Far East shipping and trading companies as Jardine Matheson. Curiously, a former managing director of Jardine Matheson is now Packer's right-hand man, while, as of 1991, at least, a director of HongShang sat on Consolidated Press' board. Since the *Sunday Age* investigation, Packer has bought 10% of the world's largest casino, the recently opened Crown Casino in Melbourne. He had planned to buy 10% of the Sydney Harbour Casino as well, of which George Soros owns 4.5%, but pulled out of the deal in an attempt to take over still more of Australia's media. His business partner in Crown is the treasurer of the ruling Liberal Party, Ron Walker, while the Liberal prime minister, John Howard, and other members of Howard's Mont Pelerin-dominated government, have stated that they are in favor of changing Australia's Broadcasting Act, to enable Packer to buy control of the single biggest media chain in the country, which includes the *Sydney Morning Herald*, the *Age* in Melbourne, and the *Australian Financial Review*, of which he owns only a portion now.

Packer's political clout extends well beyond Australia, as his Rothschild links indicate. For years, he has made no major business decision without consulting his longtime partner, Sir James Wolfensohn, who is now head of the World Bank, while his other major business partner, Maurice Strong, a director of Packer's CP International Holdings, is the de facto ruler of the United Nations, as "adviser" to UN Secretary General Kofi Annan. An Australian law enforcement official summed up how things have changed since the Costigan Commission: "Packer is now untouchable."

Befitting his new status, Packer is now seen in the Queen's box at the Ascot races, enjoying their mutual passion for horses. And, perchance, for other things, as well.

Canada opens war for legal dope trade

by Gretchen Small

The government of Canada, whose sovereign is the Queen of England, launched a drive this summer, to organize an anti-U.S. bloc of nations in the Americas, united around a program to legalize consumption and trafficking of narcotics. Canada proposes, in fact, that governments get out of the business of stopping drugs, and into that of assuring that addicts and other users get "the highest quality product possible"!

The opening shot of this campaign was fired with the publication, in both English and French, of a tract called *Hemispheric Addiction: Canada and Drug Trafficking in the Americas*, by the Canadian Foundation for the Americas (FOCAL), a Canadian government dependency. FOCAL mailed 5,000 copies out to any Canadians dealing with hemispheric matters, and to inter-American organizations. Canada's Embassy in Mexico secured publicity for the legalization report in a major daily, *Reforma*.

Hemispheric Addiction reads like a piece of gutter legalization trash: There are only two options, "prohibition, using repression," or legalization. Since it is "undeniable" that the war on drugs has failed, does not affect consumption seriously, and leads to violence, and since anti-drug legislation "causes more harm to the individual and society than the drugs themselves," the time has come for "the legalization of the drug trade." But "isolated legalization" will not suffice. FOCAL argues that "the government will have to control, for example, the quality of the products in circulation. . . . The beneficial effect of a coherent legalization program is to transform the drug problem from a moral issue, to a strictly medical question. The individual would be left to manage his own consumption, by supplying him with the highest quality product possible."

The FOCAL report defends the drug cartels' killer armies, too, as long as they are "political." There is a difference, they claim, between narco-terrorists ("armed groups . . . using violence to preserve their share of the market"), and narco-guerrillas ("first and foremost motivated by political convictions . . . they want to overthrow the system in place; their aspiration generally is to redistribute the state revenues more equitably"). FOCAL cites Colombia's M-19 and Peru's bloody Shining Path as examples of narco-guerrillas, who sometimes "protect" the population from traffickers and law enforcement.

The report could have been lifted from a speech by the Cali Cartel-controlled President of Colombia, Ernesto Samper Pizano. To hear them tell it, the nations of the Ameri-

cas would all have already adopted this hemispheric dope program, were it not for the United States' insistence on imposing "its norms" on others. They maintain that only pressure from Washington has "forced" Canada to participate in the war on drugs.

FOCAL is clear about one thing: Without getting the United States to capitulate to legalization, their dope program cannot advance. FOCAL proposes that Canada make itself the "interlocutor" between the U.S. and those Ibero-American countries that have adopted the dope program, and tell the U.S. it must "compromise."

Straight from the Privy

FOCAL is not the private outfit it claims to be. It was set up in 1990 by the Brian Mulroney government, when Canada entered the Organization of American States (OAS) as a full member. Its assigned mission is to insinuate the British Crown into the center of hemispheric policymaking, selling Canada to the naive as an "anti-imperialist" friend of Ibero-America. A key person here is Richard Gorham, Mulroney's roving ambassador to Latin America and permanent observer at the OAS, who is FOCAL's secretary.

Funded almost exclusively by the Canadian government, FOCAL operates as an extension of the Department of Foreign Affairs and International Trade (DFAIT). When the DFAIT requested it in 1995, for example, FOCAL organized dozens of "student interns" to "conduct special market studies on the mining equipment, telecommunications, and oil and gas sectors in Brazil, Chile, and Colombia."

The director of FOCAL's Governance and Security Project, Hal Klepak, who co-authored the drug study, also works in DFAIT, and teaches at the Royal Military College of Canada. The lead author of the study, Denis Berthiaume, formerly served in the Policy and Communication division of the Defense Ministry. The senior member of FOCAL's Board of Directors is Mitchell Sharp, an adviser to Prime Minister Jean Chretien. Sharp has been a member of the Queen's Privy Council since 1963, serving as its president in 1974-76.

FOCAL is part of the Queen's policy structure that runs the government of Canada, and its global anti-nation-state operations. FOCAL was set up under the North-South Institute, which paid FOCAL's salaries, rent, and administration. The president of the North-South Institute, Maureen O'Neil, was appointed president of FOCAL in 1995. The North-South Institute sits at the heart of the Canadian Crown establishment: Its Board of Directors is dominated by Privy Council members and leaders of Canada's major dope banks and corporations (the Bank of Montreal, Canadian Imperial Bank of Commerce, Royal Bank of Canada, Bank of Nova Scotia, Hollinger Corp., and Weston Food, among others).

Research for this article was also provided by Raynald Rouleau, a writer for *Nouvelle Solidarité*. Quotes from the report were translated from the French edition.

Soros's role in the drug takeover of Colombia

by Valerie Rush

Mention the South American country of Colombia to most Americans today, and what unhappily springs to mind are the twin scourges of drugs and terrorism—and rightly so. But how many Americans are aware that it is George Soros, and the London-centered financial apparatus he represents, that are *directly behind* this criminal takeover of Colombia? Not only has Soros moved into some of the premier drug-money-laundering institutions of the continent, including Colombian banks, but his own funds are being directly deployed in defense of Colombia's murderous narco-terrorist armies, the same terrorists serving as plantation guards for the country's narcotics crops and laboratories.

Worse, Soros and the Colombian cocaine cartels are in the process of a major market "diversification" effort—into heroin. According to Thomas Constantine, the director of the U.S. Drug Enforcement Administration (DEA), just back from a trip to Colombia, "About 63% of all heroin we seize in the United States now comes from Colombia." In fact, Colombian national police chief Gen. Rosso José Serrano recently predicted that heroin will "replace cocaine" as Colombia's main drug export.

U.S. law enforcement sources are also reporting that Colombian heroin being seized on U.S. streets is now as much as 90-95% pure! Compare this to slightly over a decade ago, when the purity of heroin from all sources—Southeast Asian, South West Asian, and Mexican—was approximately 7% at the street level. By 1995, retail purity levels had already risen dramatically, to 39.7%, of which Colombian heroin was averaging an unprecedented 56.4% purity. Today, police and the DEA are consistently seizing Colombian heroin that is 70-95% pure.

As law enforcement officials are quick to point out, such purity means that heroin can be smoked or inhaled, instead of being injected directly into the bloodstream. The result is that American teenagers, including many from the middle class, are turning to heroin in record numbers, no longer having to contend with the terror of contracting AIDS, or the stigma of the heroin junkie with needle tracks up and down his arms. Officials estimate that heroin use in the United States grew by 20%, from 500,000 to more than 600,000 users, in just the past three years.

American youth are being driven down the road to hell

through Dope, Inc.'s employment of a classic marketing technique, one which might well have been taken from a Harvard Business School text: Cut prices, increase sales. In just the past few years, the price of heroin has been slashed, as the chemical purity dramatically increased. The result? A significant increase in sales, as also indicated by the rise in users cited above. A January 1997 DEA report notes that Colombian heroin was selling wholesale in some cities for \$2,800 to \$5,000 an ounce, while Southeast Asian heroin went for \$5,500 to \$8,000 an ounce.

The drug cartels are not newcomers to this marketing strategy, having used the identical approach with cocaine over the past 15 years, in order to hook the U.S. population on cocaine and crack cocaine. As readers of this magazine know, it was Sir George Bush (the crack cocaine kingpin) and his Contra support networks who were responsible for this holocaust. Now, an even worse threat looms. According to President Clinton's national drug policy director, Gen. Barry McCaffrey, "Colombian heroin is a global threat of growing proportions. Colombians have gone from zero to producing 6.5 metric tons in five years, and are now using an incredibly aggressive marketing strategy."

The saturation of American youth with heroin is especially terrifying in light of expert opinion, by doctors and others, that the heroin addict is not as *physically decimated* by his habit as the cocaine addict, and thus is a guaranteed "consumer" for many decades longer than the typical cocaine user. Dope, Inc. knows just what it's doing—and so does George Soros.

Financing the invasion

While the Colombian cocaine cartels retool for this heroin invasion of the United States, George Soros readies his own troops. According to Bogotá's *Semana* magazine of April 28, Soros is financing an Oct. 8-9 meeting in the Colombian city of Medellín, notorious as the birthplace of the Medellín cocaine cartel, and will fly in academics and other delegations from around the world to push drug legalization, and for an end to the war on drugs. According to Dr. Ethan Nadelman, director of Soros's Lindesmith Center, the Soros-bankrolled Drug Policy Foundation—the leading legalization lobby in the United States—will be addressing the Medellín event.

As *Semana* warned, Soros's "obsession is now precisely drug legalization. With the conviction that it is the only answer, Soros has set his sights on Colombia."

It should surprise no one that Soros would find a congenial atmosphere in drug cartel-ruled Colombia. He has already made significant inroads in the country's drug-financing networks, both in his own name and through allies in the banking community. In 1994, the Gilinski family in Colombia—closely identified with Soros's financial interests—used leverage from their Banco Andino to take control of Colombia's second-largest bank, Banco de Colombia, when the government privatized it in that year. Both of those banks were iden-

tified by Fabio Castillo, author of *The Cocaine Horsemen*, as drug-money laundries for the Cali Cartel, with officials in their main branches virtually functioning as employees of that cartel.

Castillo also put Colombia's largest bank, the Banco Ganadero, in the same category. Forty percent of the Banco Ganadero was bought in 1996 by Spain's Banco Bilbao Vizcaya (BBV), which also teamed up with Soros's Quantum Fund to buy up 40% of neighboring Venezuela's number one bank, Banco Provincial, that same year. Thirty percent of the Gilinskis' Banco de Colombia, meanwhile, was sold to another of Spain's leading banks, the Banco Central Hispano (BCH). BCH and BBV are both linked to British financial interests, including the Queen's own drug bank, the Hong-kong and Shanghai Banking Corp.

Human Rights Watch: the Soros hit squad

While no one is quite sure where Soros's financial assets begin and end in Colombia, he has left no doubt that his money is being used politically to protect the drug trade and the narco-terrorists.

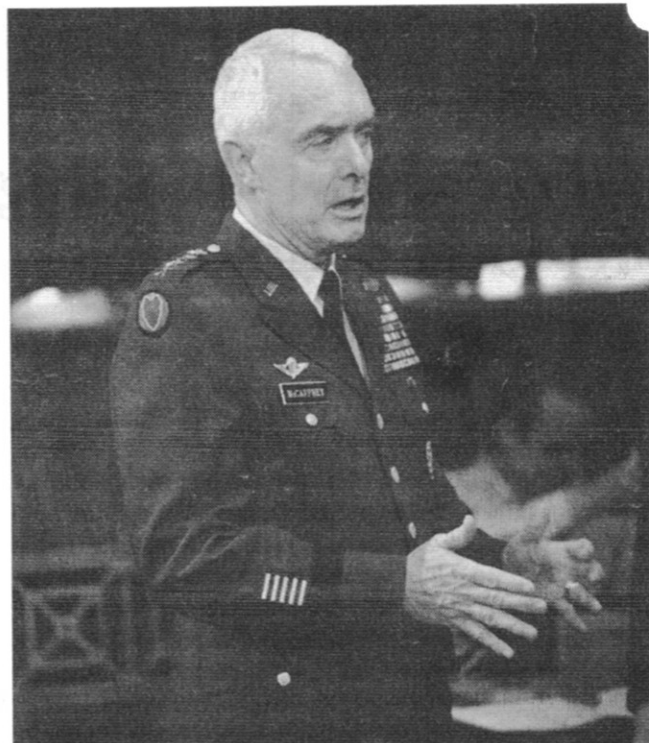
For this, Soros's flagship operation is the non-governmental organization Human Rights Watch/Americas. Soros gave HRW/A its start-up capital, and he has continued to pour in his largesse over the years. The group's 1995-96 annual report lists Soros and his wife as among their largest donors, those who provided \$100,000 or more.

In Ibero-America, Human Rights Watch specializes in attacking those national forces deployed against the drug cartels—especially the armed forces—most typically accusing them of “human rights violations.” For example, in November 1996, they issued a report called “Colombia's Killer Networks,” which concluded: “The [Colombian] military has not only created paramilitary groups but allows virtually all of them to carry out political killings when it serves a common purpose, ridding the country of perceived guerrilla support.” The “perceived guerrillas” that HRW is referring to are the FARC and ELN narco-terrorists, who today control about half the country's municipalities, and form a drug cartel in their own right, which is rapidly taking over the entire nation.

Human Rights Watch's 1996 report cited confidential defense documents, to charge that U.S. military advisers had fuelled these purported “death squad” activities against the well-meaning guerrillas, and then echoed the calls by London-based Amnesty International a month earlier, demanding the immediate suspension of all U.S. and European military aid and arms sales to Colombia, until human rights violations were curbed.

Needless to say, the FARC and ELN—and their cartel allies—fully concur.

What is actually behind this “human rights” facade, came to light in a revealing incident a few years ago. On Nov. 8, 1990, the heads of Colombia's Medellín Cartel, in the midst of their most violent killing spree, in an effort to stop any plan



White House Drug Policy Adviser Gen. Barry McCaffrey (ret.): “Colombian heroin is a global threat of growing proportions. Colombians have gone from zero to producing 6.5 metric tons in five years, and are now using an incredibly aggressive marketing strategy.”

to extradite them to the United States, sent an open letter, which they signed as “The Extraditables,” to a leading politician in the country. In the letter, they promised to free a number of Colombian journalists held as hostages, if the government met one condition: that it publish and circulate widely a report issued in October of that year by Soros's Americas Watch division of Human Rights Watch. That report denounced the government's anti-drug actions as violations of the cartel's “human rights.”

The Extraditables demanded that “all the communications media of the country . . . provide space to the human rights organizations, so that they can denounce all the violations of these rights. We wish that this opportunity be given, very particularly, to Americas Watch,” the narco-trafficker butchers said.

Six days later, Juan Méndez, who wrote the Americas Watch report, gave an interview to the Colombian daily *Espectador*, calling for “the most total disarmament possible” of Colombia—even as the Extraditables were bombing and murdering almost at will. Méndez claimed that HRW did not call for the outright abolition of national Armed Forces, but said, “We do celebrate the decision of Costa Rica in 1948 to dissolve its Armed Forces.”

Such are the legions of George Soros.

Myanmar: a front-line state in George Soros's 'opium war'

by Michael and Gail Billington

During the late-July meetings of the Association of Southeast Asian Nations (ASEAN), Malaysian Prime Minister Dr. Mahathir Mohamad accused George Soros of mounting a speculative attack on the region's currencies, based on his "political agenda" of opposition to the induction of Myanmar into the regional association. To our knowledge, *EIR* is the only other agency that has zeroed in on Soros's political agenda when it comes to his attacks on Southeast Asia, and Myanmar, in particular. In the Oct. 25, 1996 *EIR*, we situated that agenda squarely in the context of Britain's historic use of "Opium War" geopolitics against Asia, aimed, principally, at containment of China, and preventing the coalescing of an alliance of nations stretching from the Indian subcontinent to China, and including the continental and archipelagic nations of Southeast Asia. Today, such an alliance for regional economic development is emerging in the effort being spearheaded by China, known as the Eurasian Land-Bridge. That October 1996 article also indicated the collusion between the Soros-funded operations against Myanmar and those run predominantly by the George Bush networks, through offspring of the National Endowment for Democracy in the United States.

As far as Asia is concerned, Soros serves in a long tradition of British Crown agents, although silly U.S. State Department spokesmen leapt to Soros's defense at the ASEAN meetings, contrary to the expressed views of the White House and its Office of Drug Policy. The Soros-funded Open Society Institute's "Burma Project," which aims to replace the current military government in Myanmar with a more malleable "democratic" regime, led by Nobel Peace Prize-winner Aung San Suu Kyi, head of the National League for Democracy, varies only in the technologies used, from British Foreign Office policy since 1947, when Lord Mountbatten deigned to concede independence to colonial Burma: to maintain the status quo in the opium fields of the Golden Triangle area of north and northeast Myanmar.

The British, then, as now, have two reasons for wanting control over this region, preferably covert rather than overt, due to the nature of the business at hand: first, control over the two southern routes of the Land-Bridge, linking the Indian subcontinent to China and Southeast Asia; and, second, con-

trol of the world's largest supply of high-grade opium and heroin, introduced by the British from their Indian plantations in the nineteenth century to finance the Empire and to bring China to heel, economically, politically, and culturally.

Today, Soros, the world's leading funder of the drive to legalize drugs, is also a partner with the British Commonwealth in attempting to undermine the military government, the State Law and Order Restoration Council (SLORC), in Yangon, the capital of Myanmar, which over the past eight years has nearly succeeded in asserting centralized control over the integral territory of the nation, including the Golden Triangle, for the first time since the British colonized the area in the nineteenth century.

British policy since 1947

Newly declassified material on the 1947 murder of Burmese independence leader Gen. Aung San, father of Aung San Suu Kyi, underscores the British method for running the Golden Triangle through covert, rather than direct means. As reported by Fergal Keane in the July 19 London *Guardian*, the same British Lords who commissioned the murder of Prime Minister Aung San, also set up the British covert support apparatus among the ethnic hill tribes of the Golden Triangle, to set into motion civil war against the very government to which it was simultaneously granting independence.

As Aung San was concluding independence agreements with London in February 1947, an organization called Friends of the Burma Hill Peoples was created by Sir Reginald Dorman-Smith, the Conservative Party's wartime British governor of Burma, who ruled through his close friend, wartime Prime Minister U Saw. When Aung San was murdered five months later, U Saw, who had been promised the prime ministership in exchange for his part in the murder, became the expendable fall guy, and was hanged. A British officer, Capt. David Vivian, was charged and convicted of supplying the weapons for the assassination, but was soon "liberated" from jail by ethnic Karen secessionists, and joined forces with the hill tribe rebel armies. Sir Reginald's Friends of the Burma Hill Peoples and similar foreign-connected organizations have used several ethnic groups in the unmarked border areas to control Golden Triangle drug production until the 1990s,

when the SLORC either defeated or pacified 15 of the 16 ethnic insurgent armies that had been at war with the center in Yangon since shortly after independence. The one holdout remains the Christian Karen National Union, operating along Myanmar's eastern border with Thailand. The KNU camps serve as the forward command and training center of the armed insurgents and the "democratic" opposition, and enjoy the active support of the likes of Privy Councillor Lady Caroline Cox's Christian Solidarity International and George Bush's cousin, Elsie Walker.

Soros's 'get SLORC' project

The current manifestation of this historic British subversion of Myanmar is run, principally, through three interconnected networks: directly British or British Commonwealth (especially Canada); the National Endowment for Democracy (NED) in the United States; and, keeping in mind Soros's impeccable British credentials, the Soros-funded Burma Project, which interfaces and facilitates activities of the other two. For our purposes here, we shall focus on Soros's Burma Project, and its incestuous relationship with the NED, which deserves special treatment in a future report.

"Open society" is Soros's agenda. As stated elsewhere in this report, Soros lifted it directly from his mentor Sir Karl Popper's passionate hatred of the sovereign nation-state. According to the Open Society Institute's Burma Project director, Maureen Aung-Thwin, Soros has funded pro-"democracy" efforts in Myanmar for almost ten years, largely through his Human Rights Watch-Asia. Aung-Thwin, who also sits on the board of HRW-Asia, was hired in late 1993 by Soros's Open Society Institute (OSI) as a consultant to map out an "open society" campaign for Myanmar. Aung-Thwin is the daughter of a minister in the cabinet of 1950s-era Prime Minister U Nu, who was ousted from power in 1962 by Gen. Ne Win.

She reports that in 1994, its first year of operation, the Burma Project awarded \$1.2 million in grants and scholarships. In 1996, that figure rose to \$1,843,153. Not included are recipients of the more than \$27 million in "Chair's Grants" and "Presidential Grants" given in 1996, the single largest component of the OSI's funding. Two beneficiaries of such grants, active in the anti-Myanmar campaign, are the Lawyers Committee for Human Rights, and Article 19, a London-based publisher and non-governmental organization (NGO). The Burma Project helped set up the Burma Donors Forum, which coordinates funders of programs targetting Myanmar worldwide. The Burma Donors Secretariat chooses those targets, stressing the ethnicity of Myanmar's 140-odd "races."

Activities directly funded by the Burma Project include:

- Democratic Voice of Burma, a Burmese-language radio station broadcasting from Norway into Myanmar;
- a bi-monthly magazine, *Burma Debate*, edited by Mary Pack, a board member of Refugees International;

- educational grants to place Burmese student activists in universities in Australia, Britain, Canada, India, the Philippines, Thailand, and the United States, where they have played a key role in setting up Burma Action Groups and Burma Information committees on campus, in support of economic boycott campaigns and lobby groups pressing for sanctions;

- an internship program for Burmese students in the United States, including tasking them to offices of members of the U.S. House of Representatives and Senate, private foundations, human rights and labor organizations, and NGOs;

- M.A. fellowship programs for Burmese students in U.S. and European universities, including, since 1991, a fellowship at Soros's pet project, the Central European University, in Budapest, Hungary.

Central to the Burma Project's operations is its internet home page, recently revamped, which functions as a central clearinghouse of information on who's doing what, where in the world, as part of the "get SLORC" global campaign. This is a very closely knit network, scratching each others' backs, reporting each others' lies, and serving as the main "informed source" of information for the media "of record" in the Western world. The Burma Project's New York headquarters is proud of its documentation resource center, set up to exploit every medium available.

A particular saw-horse of the global "Burma" offensive has been to accuse the SLORC of complicity in drug-trafficking. Secretary of State Madeleine Albright was apoplectic on this subject at the ASEAN meetings, but the best case that Burma Project Director Aung-Thwin can muster is, "Though the SLORC's direct participation in the drug trade is difficult to prove, there is credible evidence that the generals and their associates profit from it, according to a recent U.S. government report." One such report grudgingly acknowledged that the principal opium-growing areas remain *outside* Yangon's control. Curiously, neither the NCGUB "government in exile," nor Aung San Suu Kyi's NLD have any policy on drugs, nor any policy to speak of, except a fuzzy commitment to "multiethnic democracy."

On the "activist" front, Soros's Open Society Institute funds the Free Burma Coalition, which serves as a resource center for "how to" organizing by campus and community groups in support of the boycott and sanctions lobbying campaigns, provides media contact lists, and a speakers' list, including Burmese expatriates, many of them disgruntled ethnic royalty and offspring of former government officials, exiled students dependent on the Burma Project, and academics-journalists, many of whom are "old Burma hands," who have been actively involved in profiling the country, especially the hill tribes, for decades.

The economic and financial warfare components of the Burma Project's operations, through support for economic

sanctions and boycotting firms doing business in Myanmar, particularly energy-related infrastructure projects and railroads, are further evidence of the Open Society Institute's hostility to state-sponsored economic development, very much in line with the policy enunciated by Britain's Sir Leon Brittan at an April 1996 conference in Beijing on the Land-Bridge project. "Private enterprise" shall dictate investment priorities, intoned Sir Leon. Judging by Soros's snapping up key privatized state-sector firms, especially those involved in mining strategic raw materials in Russia and Ibero-America, surely George has ulterior motives in his targetting of mineral-rich Myanmar. For these and similar reasons, Soros has been *persona non grata* in China since 1989.

The "soros.org" home page is a window onto the incestuous working relationship between Soros's Burma Project and the Washington, D.C.-based nexus of the National Endowment for Democracy, and the latter's "sister" foundations in Canada, Holland, France, and Great Britain.

Agents of empire and dumb 'Yanks'

The National Endowment for Democracy was set up by act of the U.S. Congress in 1983, explicitly as a private entity receiving government funds, "to strengthen democratic institutions around the world through non-governmental efforts." Its chairman, former U.S. Senator John Brademas, states in his introduction to the 1996 annual report, that the NED "does not operate under the constraints of federal institutions that must (and should) serve U.S. diplomatic interests." NED funding is deployed through four surrogate "quasi autonomous non-governmental organizations," or "quangos," the "free market" Center for International Enterprise, the Free Trade Union Institute for Labor, and two organizations linked to U.S. political parties, the International Republican Institute and the National Democratic Institute for International Affairs.

Since approximately 1994, the NED has shared its grant database with four international foundations: the International Centre for Human Rights and Democratic Development (Ichrrd), in Montreal, Canada; the Fondation Jean Jaurés in Paris; the Alfred Mozer Foundation in the Netherlands; and the Westminster Foundation for Democracy, in London. The Canadian, French, and Dutch organizations are all offspring of the international Social Democracy, while the Westminster Foundation was launched by Margaret Thatcher's Conservatives, much as the NED was the brainchild of the George Bush networks in the Reagan administration.

For Myanmar, the NED and the Montreal-based Ichrrd are the most important. Between 1992 and 1996, for example, the two organizations gave over a half-million dollars to the National Coalition Government of the Union of Burma (NCGUB), the "government in exile" run by Aung San Suu Kyi's cousin, Sein Win, and the NCGUB's primary

Canadian support organization, Associates to Develop Democratic Burma (ADDB), approximately splitting the burden between the American and the Commonwealth providers. In 1996, the NED pumped \$1.3 million into a dozen organizations that dovetail precisely with Soros's Burma Project funding. It is safe to say that the Norway-based Democratic Voice of Burma is a shared asset of the NED and Soros, for instance.

But the Ichrrd is no ordinary institution. It is a Crown Corporation, created by an Act of the Canadian Privy Council, and voted up by Parliament in 1988. And, while its pattern of "Burma" funding is a Canadian version of Soros's funding, the emphasis is more radically in support of ethnicity and indigenous movements, not unlike Sir Dorman-Smith's Friends of the Burma Hill Tribes. Ichrrd is a major supporter of the Zapatista terrorists in Chiapas, Mexico, as well as funder of Lord Avebury's TAPOL organization, targetting Indonesia over East Timor.

It is Ichrrd that has direct links to the London-based Burma Action Group (BAG), headed jointly by Lady Gore-Booth and Evelyn Aris. Lady Gore-Booth is the widow of the late Lord Paul Gore-Booth, former head of the British Diplomatic Service and longtime British ambassador to India. Lady and Lord Gore-Booth befriended Aung San Suu Kyi's mother when she was Burma's ambassador to India in the 1950s, and sponsored Aung San Suu Kyi during her years at Oxford. The Gore-Booth's sons are prominent British Foreign Service officers in their own right: Hugh is currently High Commissioner to India, and David was deputy foreign secretary during Bush's bloody war on Iraq. BAG's co-chairperson, Evelyn Aris, is mother of Suu Kyi's husband, Michael Aris, an Oxford Don whose areas of expertise include Nepal and Bhutan, and whose mentor was Britain's longtime senior diplomat in Tibet, Sir Hugh Richardson.

The "BAG ladies," their links to the Crown Corporation Ichrrd, and the NED's "Bush-whackers" in the International Republican Institute bring us back to the historical line of disgruntled "Burma hands," who were quite put out at the uppityness of Gen. Aung San and his Group of 30 Comrades.

In February of this year, Soros unleashed his first round of speculative attacks on the highly vulnerable Thai economy and its currency, the baht, the same week that the Thai government closed the border to armed Karen insurgents, making it possible to quell the last of the British insurgencies, the Karen National Union. In June, Soros's Quantum Fund mounted a \$5 billion offensive to break the Thai economy, on the eve of Prime Minister Chavalit Yongchaiyudh's historic state visit to Yangon and days before ASEAN's foreign ministers were to announce their decision on Myanmar's entry into the association.

The legacy of Capt. David Vivian lives on in the global "Free Burma" movement, but the technology of warfare has changed.

LaRouche's 15-point plan for a war on drugs

Advocates of drug legalization claim that the war on drugs has failed; in fact, a serious war has yet to be waged. On March 13, 1985, Lyndon LaRouche sent a message to a Mexico City conference on the drug traffic, laying out a 15-point "war plan." Here are excerpts.

1. What we are fighting, is not only the effects of the use of these drugs on their victims. The international drug traffic has become an evil and powerful government in its own right. It represents today a financial, political, and military power greater than that of entire nations within the Americas. It is a government which is making war against civilized nations, a government upon which we must declare war, a war which we must fight with the weapons of war, and a war which we must win in the same spirit the United States fought for the unconditional defeat of Nazism between 1941 and 1945.

2. Law-enforcement methods must support the military side of the War on Drugs. The mandate given to law-enforcement forces deployed in support of this war, must be the principle that collaboration with the drug traffic or with the financier or political forces of the international drug traffickers, is treason in time of war.

a) Any person caught in trafficking of drugs, is to be classed as either a traitor in time of war, or as the foreign spy of an enemy power.

b) Any person purchasing unlawful substances, or advocating the legalization of traffic in such substances, or advocating leniency in anti-drug military or law-enforcement policy toward the production or trafficking in drugs, is guilty of the crime of giving aid and comfort to the enemy in time of war.

3. A treaty of alliance for conduct of war, should be established between the United States and the governments of Ibero-American states which join the War on Drugs alliance to which the President of Mexico has subscribed. Other states should be encouraged to join that military alliance.

4. Under the auspices of this treaty, provisions for actions of a joint military command should be elaborated. These provisions should define principles of common action, to the effect that necessary forms of joint military and law-enforcement action do not subvert the national sovereignty of any of the allied nations on whose territory

military operations are conducted. These provisions should include the following:

a) The establishment of bilateral military task-forces, pairwise, among the allied nations;

b) The establishment of a Common Command, assigned to provide specified classes of assistance, as such may be requested by designated agencies of either of any of the member states, or of the bilateral command of any two states;

c) Under the Common Command, there should be established a central anti-drug intelligence agency, operating in the mode of the intelligence and planning function of a military general staff, and providing the functions of a combat war-room;

d) Rules governing the activities of foreign nationals assigned to provide technical advice and services on the sovereign territory of members of the alliance.

5. In general, insofar as each member nation has the means to do so, military and related actions of warfare against targets of the War on Drugs, should be conducted by assigned forces of the nation on whose territory the action occurs. It were preferred, where practicable, to provide the member nation essential supplementary equipment and support personnel, rather than have foreign technical-assistance personnel engaged in combat-functions. Insofar as possible:

a) Combat military-type functions of foreign personnel supplied should be restricted to operation of detection systems, and to operation of certain types of aircraft and anti-aircraft systems provided to supplement the capabilities of national forces; and

b) Reasonable extension of intelligence technical advice and services supplied as allied personnel to appropriate elements of field operations.

6. Technologies appropriate to detection and confirmation of growing, processing, and transport of drugs, including satellite-based and aircraft-based systems of detection, should be supplied with assistance of the United States. As soon as the growing of a relevant crop is confirmed for any area, military airborne assault should be deployed immediately for the destruction of that crop, and military ground-forces with close air-support deployed to inspect the same area and to conduct such supplementary operations as may be required. The object is to eliminate every field of marijuana, opium, and cocaine, in the Americas, excepting those fields properly licensed by governments.

7. With aid of the same technologies, processing-centers must be detected and confirmed, and each destroyed promptly in the same manner as fields growing relevant crops.

8. Borders among the allied nations, and borders with

other nations, must be virtually hermetically sealed against drug traffic across borders. All unlogged aircraft flying across borders or across the Caribbean waters, which fail to land according to instructions, are to be shot down by military action. A thorough search of all sea, truck, rail, and other transport, including inbound container traffic, is to be effected at all borders and other points of customs-inspection. Massive concentration with aid of military forces must be made in border-crossing areas, and along relevant arteries of internal highway and water-borne transport.

9. A system of total regulation of financial institutions, to the effect of detecting deposits, outbound transfers, and inbound transfer of funds, which might be reasonably suspected of being funds secured from drug trafficking, must be established and maintained.

10. All real estate, business enterprises, financial institutions, and personal funds, shown to be employed in the growing, processing, transport, or sale of unlawful drugs, should be taken into military custody immediately, and confiscated in the manner of military actions in time of war. All business and ownership records of entities used by the drug traffickers, and all persons associated with operations and ownership of such entities, should be classed either as suspects or material witnesses.

11. The primary objective of the War on Drugs, is military in nature: to destroy the enemy quasi-state, the international drug trafficking interest, by destroying or confiscating that quasi-state's economic and financial resources, by disbanding business and political associations associated with the drug trafficking interest, by confiscating the wealth accumulated through complicity with the drug traffickers' operations, and by detaining, as "prisoners of war" or as traitors or spies, all persons aiding the drug trafficking interest.

12. Special attention should be concentrated on those banks, insurance enterprises, and other business institutions which are in fact elements of an international financial cartel coordinating the flow of hundreds of billions annually of revenues from the international drug traffic. Such entities should be classed as outlaws according to the "crimes against humanity" doctrine elaborated at the postwar Nuremberg Tribunal, and all business relations with such entities should be prohibited according to the terms of prohibition against trading with the enemy in time of war.

13. The conduct of the War on Drugs within the Americas has two general phases. The first object is to eradicate all unlicensed growing of marijuana, opium, and cocaine within the Americas, and to destroy at the same time all principal conduits within the Hemisphere for import and distribution of drugs from major drug-producing regions

of other parts of the world. These other areas are, in present order of rank:

a) The Southeast Asia Golden Triangle, still the major and growing source of opium and its derivatives;

b) The Golden Crescent, which is a much smaller producer than the Golden Triangle, but which has growing importance as a channel for conduiting Golden Triangle opium into the Mediterranean drug-conduits;

c) The recently rapid revival of opium production in India and Sri Lanka, a revival of the old British East India Company opium production;

d) The increase of production of drugs in parts of Africa.

Once all significant production of drugs in the Americas is exterminated, the War on Drugs enters a second phase, in which the war concentrates on combatting the conduiting of drugs from sources outside the Hemisphere.

14. One of the worst problems we continue to face in combatting drug trafficking, especially since political developments of the 1977-81 period, is the increasing corruption of governmental agencies and personnel, as well as influential political factions, by politically powerful financial interests associated with either the drug trafficking as such, or powerful financial and business interests associated with conduiting the revenues of the drug trafficking. For this and related reasons, ordinary law-enforcement methods of combatting the drug traffic fail. In addition to corruption of governmental agencies, the drug traffickers are protected by the growth of powerful groups which advocate either legalization of the drug traffic, or which campaign more or less efficiently to prevent effective forms of enforcement of laws against the usage and trafficking in drugs. Investigation has shown that the associations engaged in such advocacy are political arms of the financial interests associated with the conduiting of revenues from the drug traffic, and that they are therefore to be treated in the manner Nazi-sympathizer operations were treated in the United States during World War II.

15. The War on Drugs should include agreed provisions for allotment of confiscated billions of dollars of assets of the drug trafficking interests to beneficial purposes of economic development, in basic economic infrastructure, agriculture, and goods-producing industry. These measures should apply the right of sovereign states to taking title of the foreign as well as domestic holdings of their nationals, respecting the lawful obligations of those nationals to the state. The fact that ill-gotten gains are transferred to accounts in foreign banks, or real estate holdings in foreign nations, does not place those holdings beyond reach of recovery by the state of that national.