

National News

GOPAC official claims Newt siphoned funds

According to the Nov. 22 *Boston Globe*, the former general chairman of GOPAC has confirmed that Newt Gingrich used money from a tax-exempt foundation, to finance political television broadcasts. Howard "Bo" Callaway, the number two in GOPAC during most of Gingrich's tenure as chairman, told the *Globe* that Newt approved of using funds from the Abraham Lincoln Opportunity Foundation, which Callaway had created in 1984 for sponsoring "speech contests" in Colorado high schools, "to lend care and assistance to the needy and to provide educational services to the public."

Gingrich used the foundation as a front for funding TV programs, which Gingrich wrote were intended "to recruit activists all across America to become involved with the Republican Party." Callaway told the *Globe*, "Newt certainly approved it. . . . I can't absolve him of all responsibility."

DNC member writes off House and Senate in '98

A member of Don Fowler's Democratic National Committee (DNC) claims that the Republicans will gain further seats in the U.S. Congress in 1998, and that this will be a factor for "stability" in the U.S. political situation. This blueprint for defeat was presented by Dr. Ron Schlundt of the DNC, speaking at a recent seminar near Mannheim, Germany, on the American election results. Schlundt is presently the chairman of Democrats Abroad-Germany, and is vice-chairman of Democrats Abroad-Europe.

According to a first-hand report on the seminar, Schlundt attributed the Democrats' failure to retake the Congress in the recent elections, first, to the "surprising" factor of "how weak the President's coat-tails were"; and, second, to the strong penchant Americans have today for "ticket-splitting." Asked about the failure of the DNC's Congressional Campaign Committee to provide ade-

quate funding for strong candidates who could have won, Schlundt responded cynically, "That always happens; when a candidate loses, he or she says, 'I would have won, if I had a bit more money.' It's a typical reaction."

Schlundt added, "For 1998, I see not much change in the House or Senate. The Republicans will gain a few seats in the House. The situation will be pretty stable. I know I am officially supposed to say, in my capacity, that the Democrats will win the Congress back, but I don't believe it." He defended this defeatist notion by retailing the argument that, not since 1934, has the party that occupied the White House in an "off-year" election, managed to make significant gains in the Congress.

At a later point in the meeting, Schlundt said, "If the Democrats, in 1998, lose only a couple of seats, that would be a *victory*, in my view, because, normally, we would expect to lose a *lot* in an off-year election. But I think things will be stable."

Earth First! terrorists rave against Clinton

The Nov. 1 issue of *Earth First! Journal*, an environmental terrorist propaganda arm of Prince Philip's World Wide Fund for Nature, features a front-page attack on President Bill Clinton's supposed "anti-environment" policies. The same piece also derides Vice President Al Gore's efforts to secure an election endorsement from the Sierra Club. Accompanying articles exhort "earth activists" to launch attacks on "the buildings, vehicles, heavy machinery, and other assets of earth-destroying agencies and corporations."

No fewer than four articles in the issue target President Clinton for being an anti-environmentalist. The main attack on Clinton was written by *Wall Street Journal* token leftist Alexander Cockburn, and prominent environmentalist Jeffrey St. Clair. The article claims the Clinton team made last-minute efforts to curry the "environmental" vote in the elections, by making major concessions to the Sierra Club—including turning a huge chunk of Utah into a National Monument.

To secure the Sierra Club's backing, Gore allegedly called all the Sierra Club board members during the week prior to their vote. The article claims that board member David Foreman, a convicted terrorist and founder of Earth First!, cast the deciding vote in the board's decision to endorse Clinton. Cockburn and St. Clair offer the deranged argument that Clinton needed this endorsement, because so-called "Presidential candidate" Ralph Nader and his running mate, the eco-terrorist Winona LaDuke, were polling as much as 10% of the vote in Western states.

Bush babies worried by EIR exposé of IRI

Officials of the International Republican Institute (IRI) are showing signs of anxiety over a recent series of *EIR* articles, exposing its work in Moscow to wreck U.S.-Russian relations on behalf of the British. At an IRI meeting in Washington, D.C. Nov. 20, featuring a report by recently resigned U.S. Ambassador to Russia Thomas Pickering, both IRI President Lorne Craner and Howard Opinsky, the director of its Russian activities, privately attempted to plead their innocence with *EIR*'s Washington bureau chief, Bill Jones.

Craner tried to joke about how *EIR* was portraying them as acting as a "shadow government" in Russia. He waxed on about how difficult it was to influence policy from outside the administration, as compared to being on the inside. Pickering's public remarks only complicated the defense.

He began by praising the work of the IRI in Russia, noting that he had collaborated with Craner since the mid-1980s (when both were working for George Bush). "I've admired your dedication," Pickering said. He also lied at length about the bright prospects for Russia's future. Next year, he said, will be one of "growth and investment," with "a cascade of investment into the country."

Following Pickering's presentation, *EIR*'s correspondent challenged the former ambassador's claims, noting that the complete collapse of Russia's physical economy has led to "a situation in which its very population is being reduced in real terms, a situa-

tion that Russia has perhaps not faced for a very long time, and all because of this IMF [International Monetary Fund] austerity that you have been supporting. More and more people are fearful that this will lead to a major social explosion. Some evil tongues even say that you yourself knew that this was coming, and that you therefore opted for an 'early out' from your ambassadorial post so that it wouldn't happen on your watch. Could you comment on this?"

Pickering conceded that *EIR* had raised "a totally germane question," but declared, "You seem to have the Russian preoccupation with measuring everything in terms of industrial growth and progress. There are other ways of looking at the situation," he said. He claimed that Russia had a burgeoning "service economy" and a growing "information economy"; therefore, the situation was "not entirely bleak."

Regarding the issue of "social upheaval," Pickering said that this had been on his mind since he took over in January 1993. "There was even a meeting at the State Department in 1993, where we discussed the possibility of whether we could establish a social safety net for Russia. We came to the conclusion that we didn't have the means to do this," he said. "Then there was a greater danger of social upheaval. And I didn't leave my post then because of the threat. . . . The Russian threshold for social pain is higher now. They have learned how to cope with adversity."

Insanity of welfare cuts dawns on state officials

Officials at the state and local level are discovering that the federal welfare "reforms" dictated by a Gingrichite Congress cannot be implemented—without imposing the genocidal austerity which the legislation intended.

Legislative hearings in Massachusetts, the *Boston Globe* reported Nov. 21, revealed that 30,000 legal immigrants in the state are in danger of losing welfare benefits, food stamps, and disability payments. Massachusetts Welfare Commissioner Claire McIntire said that the state could face a bill as high as

\$80 million (plus administrative costs) just to match immigrants' lost food stamps, and to replace their federal disability payments with much lower ones offered by the state. That would amount to almost one-third of what remains of the existing state welfare budget, in the wake of repeated assaults by Gov. William Weld.

The state might also have to budget an additional \$50 million, to cover as many as 17,700 immigrants who could lose their Medicaid coverage as well under the new law. According to the *Globe*, no legal immigrants have been kicked off public assistance in Massachusetts so far, but no more can be added to the rolls. Federal officials have told McIntire that her department is already violating the new law, by failing to take away food stamps. State legislators reportedly also grilled McIntire about difficulties the state has had in moving welfare recipients into jobs, and urged her to ask the Clinton administration to exempt Massachusetts from the five-year lifetime limit on welfare benefits.

Most of homeless seeking their first free meals

According to a survey of 250 rescue missions across the country, 60% of the homeless men and women seeking free meals this Thanksgiving had never been reduced to such a condition before. Rev. Steve Burger, head of the International Union of Gospel Missions, reported that advance estimate on the basis of 14,000 interviews conducted by the missions.

"Most people think of the homeless as 55-year-old alcoholic drifters," Burger said. "The stark reality is that a majority of the men and women eating Thanksgiving dinner at our missions next week are new to the street and are in their twenties and thirties, often with children."

According to Religion News Service, the survey of rescue missions found that 80% of the homeless are younger than 45 years old, and one in four is younger than 25. It also found that 79% of the homeless are male, and 21% female—a ratio which has held steady during the last five years.

Briefly

THATCHER for President? *American Spectator* editor R. Emmett Tyrrell Jr., writing in the Nov. 22 *Washington Times* about his latest trip to London, reports he spent several hours at the office of Margaret Thatcher. Lapsing into demented adulation, he declares at one point that she should be President of the United States: "Raised, say in Virginia or Illinois, she would have been the Republicans' best candidate in 1996."

KISSINGER for secretary of state? So muses the *New York Times* in a front-page story Nov. 24, playing Sir Henry as one of six candidates for the position. Former senator Sam Nunn, another *Times* pick, said on "Meet the Press" the same day, "I think you'd better watch Henry Kissinger. Henry's pretty tricky, and he's trying to make a joke out of it, but he may be the leading contender."

JAMES CARVILLE, the political consultant and veteran of two Clinton Presidential campaigns, announced on NBC-TV Nov. 24 that he is setting up a political operation to counter special prosecutor Kenneth Starr's Whitewater campaign. He noted that the \$30 million Starr has spent in going after Clinton, exceeds the cost of the investigations of the John F. Kennedy assassination and the World Trade Center bombing.

SURGICAL mastectomies are being conducted as "outpatient" operations in a growing percentage of cases, increasing from 1.6% in 1991 to 7.6% in 1995, due to vicious cost-cutting by HMOs. It took new federal legislation even to guarantee two nights in a hospital for mothers after childbirth. *Boston Globe* columnist Ellen Goodman recently protested that "there is indeed something bizarre about protecting access to health care one body part at a time."

MAXINE WATERS (D-Calif.) has been elected chairman of the House Congressional Black Caucus. She defeated William Jefferson (D-La.) in a vote held by the 39-member caucus Nov. 20.