

LaRouche Report To Italian Parliament:

The Deadly Crisis Confronting Europe

The following personal report to the Italian Parliament was released July 15, 1977 by Lyndon H. LaRouche, Jr., U.S. Labor Party National Chairman and Presidential candidate.

The massive purge now going on in the United States Central Intelligence Agency is only the most prominent single feature of the Carter Administration's preparations to launch a spiral of terrorism, international incidents and a Middle East war which, if carried through, will mean intercontinental thermonuclear war possibly before the end of August 1977. It is urgent that the de facto alliance of Italian parliamentary humanist forces be given immediately a summary report on the nature of the current situation.

Since the U.S. Kennedy Administration, the U.S. intelligence community has been divided, in effect, into two principal factions, paralleling and intersecting a division between so-called "utopians" and "traditionalists" (Clausewitzians, semi-Clausewitzians) in the military leadership. The current purge of the CIA and the new attacks on the Church of Scientology in France and the USA are coordinate developments, in which Carter's CIA chief, Admiral Turner and the U.S. Department of Justice have acted as de facto agents of Interpol and the terrorist networks of Interpol and the "neo-Fabians," against those forces in the intelligence community and military leadership who are opposed to the terrorist wave and opposed to insane gambles in confrontation with the Soviet leadership.

Another feature of the current purge is a breakoff of safety-valve contacts between the U.S. intelligence community and the Soviet intelligence community.

I should state the nature of my special knowledge on these matters.

My half-hour, nationwide television broadcast of November 1, 1976 provoked a sharp reaction simultaneously within top echelons of the U.S. intelligence services and the Soviet military intelligence (GRU). Both intelligence services assessed my outline of the strategic situation and dangers of a Carter Administration as profoundly correct in thrust. In consequence, on November 2 and 3, 1976, conservative circles in the U.S. close to both the military and intelligence communities established channels for briefing me on certain matters and occasionally requesting my strategic evaluations.

In connection with this it has been my practice to respond to information and requests received by way of published press releases and articles, so that the relevant facts could be thus delivered promptly and efficiently to all relevant governments and parties.

Throughout this process, there has been a basic dissymmetry in reactions to our published evaluations by Comecon and U.S.-centered military and intelligence bodies.

On the Soviet side, there is naturally less difficulty in understanding how monetarist interests focused in certain international financier factions determine the shape of the policies of the governments and parties they control or substantially influence. Although Rockefeller and Barnett-connected currents associated with Georgii Arbatov (of the approximately 280-person U.S.-Canadian Institute in Moscow) were influential for a while in pushing the line that the financiers were the "realists" checking the war-hawk industrialist interests, the military and so-called "hard-line" currents within the Comecon states more readily understood and oriented toward the correct perception of the way politics and strategic postures are determined within the NATO and other countries.

In the USA, and most other NATO countries, all but a relatively small portion of so-called conservatives are almost hysterically blinded to the way in which financier forces shape domestic and strategic policies.

Thus, although the Comecon countries and Soviet leadership have shown increasingly accurate perception of the general world situation, the traditionalist forces within the United States and other NATO countries have limited themselves to fighting against predicated features of the monetarist faction's fascist-economic and confrontationist policies, and have been unable so far to mobilize themselves as a coherent force to deal with the current crisis at its root. Although traditionalist labor movement and other forces within the United States have done a number of excellent particular things, including support of the U.S. Labor Party's energy policy, they have allowed themselves to be generally manipulated into "Maginot Line" defensive postures, rather than building a coherent political offensive directed at the heart of the problem.

For the reason of that "Maginot" tendency, a temporary tactical alliance of otherwise competing financial interests has been able to move in for an attempted wipe-out of entrenched traditionalist influences within the military and intelligence communities inside the U.S. Although the results are not irreparable, for the moment the Carter Administration is plunging ahead on a berserker's course toward early thermonuclear war. Only a combination of appropriate actions by Soviet-led Comecon forces and by certain European governments represent a credible means for tilting the world back into control so that the growing war-danger might be averted.

Forces To Be Blocked

The following are the principal sources of insanity to be watched.

Interpol, although nominally a small organization itself, is the coordinating instrument, not controlled by any government, through which a vast, global apparatus

of private and some official intelligence and police agencies aggregates to the largest intelligence operations force and capability in the NATO and developing countries at present. It is Interpol which coordinates illegal global narcotics and arms smuggling operations, and which plays a crucial role in virtually all terrorist and assassinations operations.

Neo-Fabian networks. The networks of organizations associated with the Washington, D.C. Institute for Policy Studies and its European shell-conduits including the London Institute for Race Relations and the Netherlands Transnational Institute are in fact what is properly called the "left CIA," controlling all North American and European Maoist, Trotskyists, and related "left"-fascist organizations, such as the Armed Proletarian Nuclei terrorists, Lotta Continua and Autonomia Operaia. The so-called "environmentalist" networks are part of the same operation and substantially overlap the terrorist networks proper.

NATO Intelligence serves as a major cover for some of the dirtiest operations run against member-governments of NATO as well as non-NATO governments.

U.S. Embassies and Consulates. Although not all State Department personnel are wittingly complicit in terrorist and environmentalist operations, members of the CIA "critical intelligence" unit and associated groups, under Brzezinski's direction, including FBI men, have been placed in U.S. embassies and consulates for direct roles in assassinations and related operations. Richard Gardner, the U.S. Ambassador to Rome, who recently deployed in Italy in defense of known terrorist networks, came to his post from a direct executive role in a Washington D.C. agency which coordinates environmentalist action in Western European and other nations.

With the aid of these instruments, the following are included juicy (e.g., bloody) capers presently set up.

1. *A massive wave of terrorism* throughout the NATO and other countries, using a total mobilization of so-called "environmentalist" forces as the cover and context for these assassinations and related actions.

2. *A projected right-wing coup d'état in France.* The unleashing of a wave of "environmentalist" chaos-and-confusion, together with terrorist acts, is intended to crystallize a programmed "right-left" confrontation in France into the preconditions for a right-wing coup d'état. The special horror-current within Opus Dei (the groups gathering around both Monsignor Lefebvre and the fascist "new philosophers") are part of the OAS-Interpol-NATO intelligence-centered combinations deployed for this right-wing coup. Fascist anti-Italy and anti-Germany propaganda is a notable feature of the preparations for the coup d'état.

3. *Forcing a breakup of OPEC through war,* a thrust for which U.S. Senator Jacob Javits is presently a key spokesman.

4. *Forcing a massive escalation of "Cold War" moods,* through which to discipline Western Europe and other countries into a posture of supporting a Carter Administration thermonuclear confrontation with the Warsaw Pact.

Carter's Lunacy

Italian parliamentarians and their supporters must proceed on the basis of knowing that the U.S. Carter

Administration is functionally insane on two levels.

First, Jimmy Carter himself is personally mentally unqualified to hold any responsible office.

In my discussions with various leading figures of several countries, we have had occasion to consider the fact that certain heads of state are clinically insane. The name of Uganda's Amin comes up most frequently in such connections. This element of clinical insanity of heads of state of small countries has been one of the stubborn problems in the way of establishing stable relations in certain areas.

Now, we face the fact that the President of the United States is profoundly emotionally-disturbed, a person who reacts with glazed-over eyes to all criticisms or discussion of topics he dislikes, and who uses the powers of his office like a Nero, to "hurt those people who are frustrating me."

Moreover, Carter is advised by a Zbigniew Brzezinski who is himself a not-so-latent homicidal schizophrenic. Neither Carter nor Brzezinski are capable of responding to reality. Defeats for their incompetent policies, rather than warning them of the need to make corrections, merely infuriate them, causing them to plunge ahead on the same discredited line with maniacal determination to impose their lunatic wills on the world.

That is no news to any leading circles in the USA. Carter's backers know that he is mentally unbalanced in this way, and also know the homicidal-schizophrenic aspects of what is sometimes called Brzezinski's "playfulness."

This brings us to the second kind of insanity in the Carter Administration. Carter's backers tolerate Carter and Brzezinski, knowing the mental problems of both, on the presumption that those two lunatics are for the moment useful instruments for the policies of crisis-maddened financier interests.

The second aspect of the insanity of the Carter Administration is of a twofold character. First, it is now made indisputably clear that putting a person of Carter's known mental instability into the White House was a deliberate, calculated element of an intended thermo-nuclear confrontation with the Warsaw Pact. Second, those who have thus deliberately placed a lunatic into the White House for this purpose are themselves collectively functionally insane in a different, but very real sense of that term. We take these two problems up in sequence here.

The "Chicken Game"

The policy of which poor, babbling Jimmy Carter is a part is based on a RAND Corporation strategic-options study known as the "chicken game."

The RAND Corporation study likened one alternative U.S. approach to a strategic confrontation with the Soviet leadership to a game, popularly termed "chicken" (*bruta figura*), played by certain young lunatics on the highways of the U.S. State of California and spread to some other states. In this "game," two young existentialists drive head-on toward one another down the center of a highway. The object of the game is to gain "bella figura" by bluffing the opposing driver to turn away from the head-on collision and go off the road.

The RAND group asked themselves the following question. Suppose one of the two drivers ties down the

steering-wheel with rope, and places his hands straight up in the air, off the wheel, so that the other driver sees this. Faced with this insanity, will the other driver not turn aside?

Applied to strategic options, the "chicken game" was projected to be used in the following way. Convince the Soviets (and others) that the President of the United States is a raving lunatic. Thus, seeing that it is impossible to influence that President by reason or realities, "the Soviet leadership will have to back down to avoid war."

What better way to make this game credible than by putting a lunatic into the White House for this purpose, and having an immoral schizophrenic, like Zbigniew Brzezinski, to handle the babbling Carter?

Adding the most recent developments inside the United States now to the pattern since November 2, we have conclusive evidence that the Carter Administration is tracked onto the "chicken game" scenario.

A few highlights. First, the Mutt-and-Jeff act put on by Vance and Warnke around March Moscow SALT discussions. Although the Soviet reaction, as it unfolded, was contrary to Manhattan's expectations, the folly of the U.S. proposal was not a result of amateurism, but was a calculated piece of lunacy. The "human rights" caper is similarly a calculated piece of lunacy. The flagrantly illegal actions of Carter's Federal Election Commission, openly professing to do things exceeding those with which the Nixon Administration was charged in Watergate, is another case of deliberate lunacy. Carter's summit appearance in London and meetings in Washington, as well as his press conferences, are also a means for leaving no doubt in the eyes of Europeans, the Soviets and others that the man is a lunatic.

Now, the purges in the U.S. intelligence community and parallel attacks on the military community. These have two principal consequences: they blind the U.S. intelligence and military command concerning the strategic situation as it develops, and also convince the Soviets that the United States is operating "in the blind" with respect to crucial elements of vital strategic intelligence.

We, of course, know exactly what this lunacy will lead into. The Soviets who lost thirty million people during World War II and estimate that they would lose significantly less of their population in World War III, will not be bluffed into capitulation. Knowing this is a virtual certainty, the forces behind the present Carter policy are prepared to take that risk, the risk of the United States' being obliterated as a nation within an Hour-One total Soviet strike against United States population and logistical centers.

Of course, there are still some Europeans who delude themselves they can negotiate with the Carter Administration — an administration now committed to an effort to destroy France in a right-left bloodletting scenario and launching parallel efforts in Italy, with the Federal Republic of Germany a further target. If Europeans lack the intelligence and courage to risk the gravest diplomatic crises with the Carter Administration, including public declarations concerning the functional insanity of the administration, it is probable that war will occur during 1977. Only by the sharpest crises,

which encourage action inside the United States to dump Carter and his controllers, can this war be stopped.

Any other approach is folly, and most probably mixed with a large dose of cowardice as well.

I am a devoted United States citizen, one of the nation's responsible leading figures. I am defending my nation by asking you to help me save my nation *and your own* by helping the people of the United States to push this evil nightmare from their backs.

The Monetarist Insanity

The underlying basis for the insanity I have described so far is the lunacy of the world's leading financier groups.

The monetary system those financiers have created and managed is now hopelessly bankrupt. That already advises us that these leading bankers are by no means the most competent sources of advice on monetary and economic policy. It is worse. How do these bankers propose to overcome the fact that the world, at present levels of production, can not meet the total debt-service requirements? They propose to refinance the debts (that is, increase the debt by refinancing), and to drastically cut world production by "zero growth" programs of austerity against both production and consumption! There is only one word to characterize a Robert McNamara of the World Bank or those bankers who attempt to justify his austerity-refinancing packages: *immoral imbeciles!*

These cretins are prepared to set genocidal austerity into motion — using imitations of Nazi-occupation economics — in service of a scheme which will not work.

It is amusing, in a certain sense, to be told — as I am — by some bankers that my criticisms of their policies shows that I am mistaken on "monetary theory"!

Some further examples of the mentality of these bankers.

They say that OPEC must be smashed, because high oil prices are the cause of the problem. That is sheer nonsense. If OPEC countries accumulate \$40 billions annually from increased petroleum margins, how could that in itself cause a depression of production? If the \$40 billions is funneled into world-trade investments in plant, equipment and so forth, that \$40 billions acts simply as reinvested profits to force economic growth.

The problem with the 1973-1974 OPEC price-rise was, first of all, its shock-effect on Western European and other economies not prepared to absorb that shock in that way at that time. The major problem was that the dollar-denominated OPEC receipts did not flow into productive investment, but into the speculative spirals of the Manhattan banks controlling the major "Seven Sisters."

Now, if the Arab Monetary Fund is securely established on a gold-reserve basis, and if Western Europe, in three-way cooperation with the Arab Monetary Fund and IBEC, begins exporting on the basis of OPEC and related reserves as hard-commodity-credit reserves, this accumulation of profit through OPEC acts to the greatest benefit for European economic recovery.

In principle, what the London and Manhattan bankers are proposing to do is the same thing that ruined Italy, and other parts of Europe during the period of the 14th

century Black Death, when austerity imposed in support of such Guelph bankers as the Bardi and Peruzzi nearly destroyed the level of culture reached under the Hohenstaufens and others by the time of Dante Alighieri. What those foolish bankers are proposing to do is the same thing that the Fuggers did, in cooperation with their puppet, Charles V, in the 1527 sack of Rome and other depredations against humanity. These foolish bankers, who have been pursuing the same ignorant, unworkable policies of Lombard banking since the thirteenth century, have learned nothing from seven centuries of experience. They are still insisting on imposing their "monetary doctrines" upon the world.

It is that seven centuries of unimproved imbecility,

called monetarism, which is the direct, and directing hand behind the lunacy of the Carter Administration. Either we end monetarism now, or the United States will probably go out of existence by the Fall of 1977, all Western Europe will be overrun by Soviet occupation forces — Soviet occupation forces which will not be exactly pleased with the effects of thermonuclear war on their own nation.

Do you so despise humanity, hate your children so profoundly, that you will not clean up NATO Intelligence, Interpol and Richard Barnet's neo-Fabian fascists, and will not say openly that the Carter Administration is functionally insane?