

The Labor Party also uncovered a potential electoral fraud set-up against USLP candidate Rosenblatt and mayoral contender Susan Pennington, both officially unopposed in their bid for the USLP nomination. The District of Columbia election laws are rife with openings for fraud including the archaic use of paper ballots, postcard registration, and the high incidence of write-in candidates. When Labor Party election officials began contacting potential campaign workers from the official record of Labor Party registrants, they discovered that many were fraudulent, turning out not to be persons registering Labor Party, but instead including addresses of a six-lane highway on-

ramp, a park, and a parking lot, among examples.

Although the primary results are not yet known, Labor Party officials report that this fraudulent postcard registration indicates a possible write-in infiltration into the USLP, a rerun of the 1975 primary election in Charlotte, N.C., when the Institute for Policy Studies-connected "Red Hornets" gang registered as Labor Party voters and succeeded in defeating the official U.S. Labor Party candidate for mayor.

Board of Elections officials and local Washington, D.C. police have voiced their outrage over these practices and "mistakes," and now suspect that the entire election is "contaminated."

Brzezinski set to wreck U.S. exports

Machinery institute debunks his 'restrictive' policy

Information made available to the *Executive Intelligence Review* by prominent trade associations indicates that National Security Advisor Zbigniew Brzezinski at least temporarily has the authority he needs to stop all American exports of advanced

President Carter, Secretary Vance and Defense chief Brown were all on vacation, Brzezinski and Energy Secretary James Schlesinger constituted themselves an ad hoc committee to pass judgment on a proposed \$144 million sale of oil-drilling technology to the Soviet Union by Dresser Industries. Needless to say, the "committee recommendation" was against the sale. That attempt to preempt presidential decision-making backfired when president Carter returned, ignored the recommendation, and approved the sale.

The problem is, Brzezinski's usurpations in this field remain in place for the next occasion, and the next; that is the gravest national security threat of all. If the City of London bankers behind Brzezinski can sabotage American exports, they are assured the ability to sabotage the U.S. dollar, and bankrupt the U.S. economy.

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technological goods. In the past several months, Brzezinski's National Security Council (NSC) has secured the privilege of reviewing and delivering recommendations in respect to Executive granting of licenses for *all exports class as high-technology*. Interested corporate sources report that the grounds for this extension of the NSC purview is the argument that high technology per se constitutes a "potential national security risk." The unmistakable British flavor of that argument was summarized by the executive of a major exporting firm: "This is the first time in the history of American trade that technology has been given a blanket classification as a national security threat, unless proven otherwise."

Getting down to brass tacks, another exporter predicted that hundreds of millions of dollars in U.S. exports will be lost through the NSC review process: "What government, what company would want to take the time or spend the money on the effort to get a contract with a U.S. exporter when that contract carries the high risk of getting cancelled because of the NSC's unwarranted assumption that it might be of potentially military use? What technology wouldn't 'potentially' be of that nature?"

Brzezinski's usurpations in this field have already been successfully opposed in particular cases. While

MAPI: NSC export-restriction could cause 'permanent damage'

Upon request, the Machinery and Allied Products Institute made available to the Executive Intelligence Review a letter to President Carter (excerpted here) sent by the institute after Zbigniew Brzezinski's influence on export-licensing, and the character of that influence, had become clear to member companies. The letter was signed by the membership of the Board of Directors and Executive Committee of MAPI, which includes chairmen or presidents of the following firms: Warner & Swasey, Western Gear, Borg-Warner, Eaton, Cutler-Hammer, Emhart, Dresser Industries, Norton Co., Sperry-Rand, FMC, Ingersoll-Rand, Babcock & Wilcox, Harris Corp., Cooper Industries, Reliance Electric, and others.

Mr. President:

We have noted from press reports that some individuals in the Executive branch — notably the National Security Council, as we understand it — and some members of Congress are urging a more restrictive export licensing policy. This would include possible revocation of at least one major export license and putting at least a “hold” on certain other license applications as a means of influencing the foreign and domestic policies of the Soviet Union and, more specifically, as retaliation for the recent Soviet human rights violations in the widely publicized trials of dissidents.

The two cases mentioned in the press ... involve MAPI member companies as the major contractors, and numerous other member companies are also involved in the transactions as suppliers of a wide variety of industrial equipment. Moreover the issues being raised ... affect a broad range which includes producers of machinery (electrical and nonelectrical), industrial equipment, components, cutting tools, electronics, scientific and industrial instruments, controls, forgings, testing equipment, etc. Certain public policy issues are also involved from the government standpoint.

In our view, decisions with respect to the adoption of a more restrictive export policy — whether initiated as a means of attempting to influence Soviet policies over the longer term or as retaliation for specific Soviet repressive actions — should not be taken without consideration of a number of important factors, including the present state of U.S.-Soviet trade, the amount of “leverage” afforded by U.S. exports to the Soviet Union, *and the implications of such a policy for future U.S. commerce with the Soviet Union and other communist countries* (emphasis added).

In developing strategy in this area, we hope the Executive Branch will consider the following:

— ... U.S. exports of manufactured goods to the Soviet Union declined from \$670 million in 1975 to \$547 million in 1977. This does not provide a large amount of diplomatic leverage!

— Most — if not all — of the products and technologies being supplied to the Soviet Union can be

purchased from other countries. Thus, in most cases, a broader policy of license denial simply will result in lost orders for U.S. firms and a narrowing of common interests with the Soviet Union, *not* in the denial of an economic capability for that country.

— The application of the very limited amount of leverage which is afforded by the low level of U.S. exports is not likely to affect Soviet internal or external policy in any important way. The experience following enactment of the Jackson-Vanik Amendment in January 1975 ... may be instructive in this regard. Since enactment of the measure, both emigration from the Soviet Union and U.S. exports of machinery ... have *declined*.

— The assumption that U.S. trade with the Soviet Union can be “finely tuned” by turning it on or off to influence Soviet behavior is highly questionable and reflects a misunderstanding as to the likely reaction of both the Soviet government and U.S. exporters.

Without some degree of predictability as to the reliability of the United States as a source of supply, it may be expected that the Soviet government — as would any other prudent purchaser — would redouble its efforts to develop alternative sources of supply....

— While the 1977 amendments to the Export Administration Act continue the authority of the President to deny applications to export products or technical data to any nation or combination of nations threatening the national security of the United States, ... those amendments and their legislative history *do not support a broadening of export controls* ... If the Executive branch intends to expand national security controls for “human rights” purposes or for “fine tuning” (“on and off”) purposes, we believe that such action would represent a diversion from the language and legislative history of the Export Administration Act sufficient to require legislative authorization.

An additional comment ... concerning reports that some in government are urging that the government *revoke* the license issued Dresser Industries

... In fact, in our view, the publicity given to the *possibility* of a license revocation has had a dampening effect on U.S. companies’ pursuit of business opportunities in those countries.

... We are concerned that permanent damage may be done to our export interest and, probably, our foreign policy interests, on the basis of faulty theory of what can realistically be accomplished through export controls....