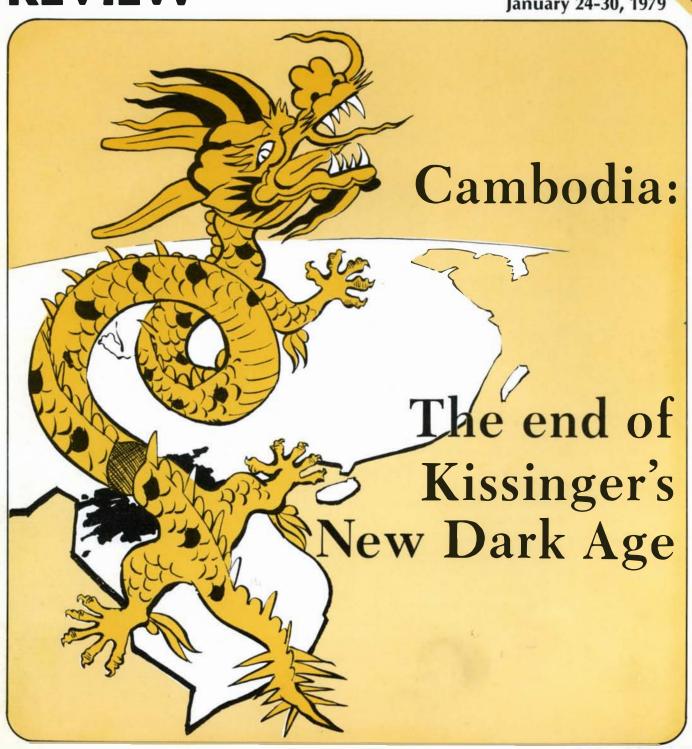
EXECUTIVE INTELLIGENCE **REVIEW**

China is national socialist



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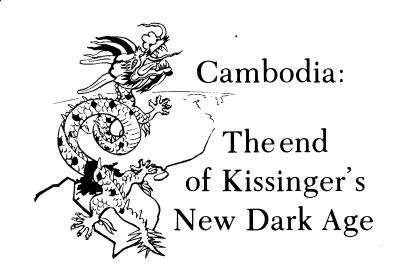
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EXECUTIVE INTELLIGENCE REVIEW,



What is the significance of the fall of the Chinese-backed Pol Pot government of Cambodia? A victory for Soviet expansionism? The emergence of a Vietnamese threat to other nations of Southeast Asia? Our SPECIAL REPORT brings you some startlingly different answers: why Henry Kissinger and Zbigniew Brzezinski may be the biggest losers in Cambodia; why China was the biggest loser in the United Nations Security Council debate on the Cambodia situation; and why most Southeast Asian nations welcome the change of government in Phnom Penh. Included in our package are an interview with Vietnam's foreign minister, and excerpts from the Security Council debate. Plus, a report on Mekong River development plans that are expected to move forward following the ouster of Cambodian leaders Pol Pot and Ieng Sary. page 8

IN THIS ISSUE

EIR editor featured in Mexican press

Executive Intelligence Review's editor-inchief, Fernando Quijano Gaitan, is a leading expert on Latin America. Last week, he hosted an EIR seminar for U.S. businessmen on Mexican oil development and the European Monetary System, and recently his views were featured in interviews in two of Mexico's leading dailies. In our INTER-NATIONAL section, we report on Quijano's proposals on a U.S.-Mexican partnership for industrial development, and how it contrast's with the policy which President Carter is expected to take with him to Mexico next month. Included in the section: major portions of Quijano's interviews, and a report on the EIR seminar in New York. page 43

LaRouche declares for Presidency

Why U.S. Labor Party Chairman Lyndon H. LaRouche, Jr., thinks he's the best man to lead our country: a report on LaRouche's declaration of his 1980 presidential candidacy in Washington, D.C. this week in our U.S. REPORT. Plus: the House faces a vote fraud fight as Congresswoman-elect Debra Freeman challenges the seating of Rep. Parren Mitchell. See our U.S. REPORT.

EXECUTIVE INTELLIGENCE REVIEW

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Behind the surprising Irag Syria unification

Otto von Hapsburg: China is "national socialist"

In a revealing, exclusive interview, the heir to the throne of the defunct Austro-Hungarian Empire — now a leader of Europe's aristocracy — gives some startling perceptions of Maoist China. Also, Hapsburg's view of NATO and the future of Europe. Together in our EUROPE section with a report on Romanian leader Nicolae Ceausescu which reveals a surprising convergence of views between the Eurocommunist and aristocratic leaders.

Science the driving force of the EMS

It's not quite formally in operation, but France and West Germany—the leaders of the European Monetary System— are moving forward rapidly to implement the policies of industrial growth which are the basis of the system. In our ECONOMICS section, a report on the up-front emphasis on science and technological Research and Development on the part of European leaders. Plus: how North Sea oil speculation is being used to attack the U.S. dollar.

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EXECUTIVE INTELLIGENCE REVIEW

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the intelligence you need to be making policy whether your responsibilities are in government, the labor movement, business, education, or elsewhere.

... COVERED WHAT WAS

really negotiated at the July 1978 Bremen and Bonn summits of industrialized countries . . . and how the European Monetary System launched at Bremen was *modeled* on a 1975 proposal by the American political economist Lyndon H. LaRouche, Jr. as the "seed-crystal" of a new, development-oriented world monetary system . . . how the United States can get into this system and out of the depression . . .

... REPORTED HOW

fusion energy researchers in the United States achieved the milestone breakthroughs reported in August, 1978 from Princeton, and what other advances are coming in this clean, cheap and virtually unlimited solution to the world energy crisis . . . how and why there was a massive sabotage attempt against the U.S. fusion program, and who's backing fusion now . . . what were Japan's and the Soviet Union's offers USA for joint fusion R&D.

EXECUTIVE INTELLIGENCE REVIEW

December 19-25, 1978

Legalized dope?

The drug banks and the pot lobby want it — will the U.S. submit?



...DOCUMENTED

what's behind the world outbreak of terrorism... the names of the global networks that deployed both "left" and "right" terrorism to kill Juergen Ponto, Hanns-Martin Schleyer, and Aldo Moro—and plan an even bigger terror wave for the United States... Executive Intelligence Review provides the first-hand documentation from the world's press, including accurate translations from non-English sources, showing how continental Europe, Japan, the East bloc, the Arabs and developing sector countries are seeing and acting on events.

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Iran: the uncertainty continues

Bakhtiar faces threat of civil war, generals' coup

Despite the departure of the Shah this week from Iran, the situation there remains far from stable, with the threat of a possible coup d'etat carried out by rabidly anti-Soviet, pro-Shah generals hanging ominously over the newlyformed government of Prime Minister Shahpur Bakhtiar.

On Jan. 17 in Alwaz, located several hundred miles to the south of Teheran, renegade "pro-Shah" troops reportedly "went wild" upon learning that the Shah had left the country. Shouting "traitors" to their commanding officers who had called for allegiance to Bakhtiar, they proceeded to carry out an assault on an anti-Shah crowd celebrating the Shah's departure and demonstrating their support for fundamentalist religious leader Avatollah Khomeini.

Khomeini's refusal to support the Bakhtiar regime and declaration its intent to replace it with an "Islamic government" is the key factor fueling the coup momentum. Alarmed at the prospect of a Khomeini-dominated government, the military is tending increasingly toward carrying out a pre-emptive takeover of its

Iranian sources believe that Israeli intelligence is behind the hard-line generals. The Israelis, according to several Iranians quoted in the Christian Science Monitor, are "playing on the extreme sensitivities of an Army that has iust lost its leader, the Shah.'

"They are trying to do here what they achieved in Lebanon," they continued.

Khomeini is doing his utmost to keep the situation hot. He refused to meet with the head of the Regency Council who traveled to Khomeini's Paris headquarters last week, and is continuing to spur on his supporters to insurrection. As soon as the Shah left Iran, Khomeini issued a "revolutionary statement" calling the Shah's departure only a "partial victory" and vowing to form an Islamic republic when he returns "at the proper moment."

However, signs are emerging of an undercurrent against Khomeini that could potentially isolate him in the days and weeks ahead. Friction has arisen between Khomeini and other religious leaders in Iran who are more amenable to accommodating the new Bakhtiar government. Similarly, there are signs of strain becoming evident between Khomeini and the opposition National Front, whose chairman last week visited Khomeini to pressure him not to return to Iran out of fear that his return could trigger full-scale civil war.

Caught in the middle of the Iran crisis is Bakhtiar, whose efforts to restore a modicum of stability to the country appear to be eroding. Only one day after Bakhtiar's cabinet had received a resounding vote of confidence by the Parliament, Justice Minister Yahya Sadeq Vaziri resigned. Vaziri was considered one of the strongest ministers in Bakhtiar's cabinet. This blow to the fledgling government was augmented by the resignation of 15 members of the lower house of Parliament. In addition, Foreign Minster Mir-Findereski, the former ambassador to the Soviet Union who looks with favor on maintaining good relations with Moscow, is considering quitting the government, according to unconfirmed rumors emanating from Teheran.

This coming week will be the litmus test for Bakhtiar. Without the vigorous support of France, the Soviet Union, and the U.S. for his efforts to restore order to Iran. Bakhtiar will be left isolated and susceptible to a coup attempt, the repercussions of which will set off waves of instability throughout the region, feeding into another oil crisis in the West and setting the stage for a Brzezinski-backed showdown between the Soviet Union and the U.S.

London places Israel back on path toward war in Mideast

Continued Arab efforts toward a Geneva peace conference and progress in talks aimed at Syrian-Iraqi unification this week forced London's geopoliticians back on the road to war in the Middle East. The target area is southern Lebanon, where new Israeli military provocations have begun in earnest.

Lebanon's fragile sovereignty is receiving another battering from Israeli armed forces. Strikes into Lebanon have included a gunboat attack on Tyre and commando raids on southern Lebanese villages. These actions, coordinated with attacks on United Nations peacekeeping forces by southern Lebanese Falangists and Shi'ite religious fanatics run by Israeli intelligence, have raised anew fears that Israeli and Syrian forces will become engaged in direct combat.

Israel's right to re-enter Lebanon is based on tales of an "upswing of Palestinian terrorism," which received token credibility after the raid this week on Maalot. A squad of guerrillas attacked a guest-house, causing the death of one Israeli resident, after which Israeli troops killed all three raiders.

The Baltimore Sun reported Jan. 18 that Israel is stepping up regular aerial intelligence flights over Syrian territory, "confident" that Syria will not respond out of "fear of war."

The motivation behind these Israeli provocations is in part evident from recent statements by Foreign Minister Moshe Dayan to the Israeli Cabinet. According to the Jan. 16 Washington Post, Dayan has argued that Israel must sidestep "legal niceties" in a peace treaty with Egypt because of Israel's new role in the region "due to the instability in Iran." Above all, Dayan claimed, Israel must avoid relinquishing the right to preemptive strike against the Arabs in any "peace" treaty with Egypt

Egyptian warnings

Reacting to such arguments and to Israel's operations in Lebanon, Egyptian Prime Minister Khalil took the unusual step this week of publicly warning that peace treaty negotiations with Egypt did not justify Israel provoking Syria in Lebanon.

Israel's latest actions are reflective of two intersecting processes. Internally, the government of Prime Minister Menachem Begin is under mounting pressure from hard-liners in the Israeli Parliament and Cabinet to escalate military provocations. According to the Jan. 17 Christian Science Monitor, these hard-liners represent the intersection point of "religious mysticism ... with emotional nationalism and coolly calculating military thinking."

But these extremists are clearly acting according to the "geopolitical" designs of Henry Kissinger and the British. Begin recently met with delegations from the Tory parties of both Great Britain and Canada, who have stressed Israel's great importance in "defending the free world from Soviet aggression," especially in light of the Iran situation. In his meeting with Canadian Tory leader Joseph Clark, Begin returned the favor, citing Soviet "aggression" in Ethiopia, Afghanistan, and elsewhere as "evidence" of the importance of Israel for "the free world."

State Dept. dirty tricks against

The U.S. State Department is harboring a nasty British-controlled operation against American entry into a new world economic order centered on the newly established European Monetary System (EMS). This is the shocking fact which investigators from the U.S. Labor Party turned up last week in tracing back to State's Soviet desk a trail of calculated lies about the party and its chairman Lyndon LaRouche, who has just announced his 1980 presidential bid (see U.S. Report).

LaRouche, an internationally renown political economist whose proposals influenced the shaping of the European Monetary System, was slandered together with his party to U.S. intelligence, State Department officers, foreign embassies and U.S. corporations by employees of the Department at the time of his Washington, D.C. presidential announcement Ian. 15. But the USLP's international exposure of this illegal interference into U.S. domestic politics by the Church of England's channels of State has created a major scandal. Many predict that Episcopalian heads at State will roll.

The heat at Foggy Bottom can be measured by the statement of press spokesman Hodding Carter III at the Jan. 17 daily briefing: "anyone who would characterize a political party or its members from within this building would clearly be exceeding the limits of their authority," Carter stated for the record.

The ugly sequence that led up to Hodding Carter's directive hangs a large question mark over the much-bally-hooed split between Secretary of State Cyrus Vance and National Security Advisor Zbigniew Brzezinski. Current consensus from West German, French, Japanese and Mexican observers is that apart from the issue of immediate nuclear confrontation with the Soviet Union, the Episcopalian layers at State are just as complicit as lunatic Brzezinski

in seeking to maintain the USA's "special relationship" to Great Britain.

For the British oligarchs and their American "blue-blood" Episcopalian cousins, the special relationship hinges on a mutual opposition to the EMS, and mutual general agreement on the strategic objective of a New Dark Age — a scenario detailed last week in these pages by LaRouche.

The format of the State-originated slanders against LaRouche centered around the terms "Rockefeller conspiracy" and "connections to West German Trotskyists" — phrases which give away the blue-blood lineage of the operation. That line has been coming from Alex Seith of the Chicago Council on Foreign Relations. Seith, former executive assistant to Episcopalian patrician Averell Harriman at the Democratic Policy Committee, is "Old Ave's" successor for "troubleshooting with the Soviet leadership."

Seith's contacts in the Soviet Union? None other than the centers most contaminated with British intelligence MI-6 networks, such as the IMEMO economics think-tank in Moscow and Soviet USA specialist Georgii Arbatov, described by Seith as his "good friend" whom he frequently visits. Moreover, the timing of the current resurgence of Seith's slanders correlates with recent anti-LaRouche activities by the Communist Party USA, reported in the diplomatic community.

The Harriman-Seith pedigree to Foggy Bottom's dirty tricks underscores the British background to the whole affair. Ironically, it was British intelligence, with the assistance of Harriman, Seith et al., who from 1958 onward concocted the "Rockefeller conspiracy" as a commodity to be sold to the USSR through Arbatov and related channels.

Slanders on record

Jim Huff, of the State Department's Bilateral Affairs Section, Soviet Desk,

LaRouche belie Vance-Brzezinski 'split'

told an inquirer, "I don't know whether or not the Labor Party has ties to the KGB ... However, they have ties to West German leftist groups, Trotskyist groups in particular ... they are a paranoid bunch of kooks. ... I'm surprised you found anything interesting in what they had to say about the European Monetary System.

Their main idea is that there is a Rockefeller-Kissinger alliance to destroy the world. They're very paranoid. They are an offshoot of the political turbulence of the 1960s. Even if they do have links with the KGB, they're a very silly group," Huff said.

This meddling into U.S. electoral politics extends high up the Foggy Bottom ladder. John Trattner, executive assistant to Vance's No. 2 man, Deputy Secretary Warren Christopher, declared that the USLP is "not worth being with or talking to. They believe in this plot led by Nelson Rockefeller, Henry Kissinger, the Trilateral Commission and the Financial Community of London. I don't know if they're KGB, but they favor Soviet viewpoints."

"They claim to be connected to the European Monetary System but they don't have even the remotest connection to the EMS. I'd be shocked if they worked with any Germans or French,' Trattner continued. "For further information call the American Socialist Party. Call the political science departments at universities in New York, and talk to the League of Women Voters."

State Department avowals that these remarks represent "the opinions of a lone individual or individuals" can hardly be taken at face value. Huff recommended

for "more information on the USLP" the Washington Post, which one day before LaRouche's D.C. appearance ran a top British journalist's vicious slander of the USLP leader as a "cult leader" comparable to Jim Jones or Sun Myung Moon. In a Post guest feature, the Times of London's Patrick Brogan reported that LaRouche's followers "believe in his vision of a world conspiracy directed by the Rockefellers which controls everything from the SLA to the PLO by way of the White House."

The appearance of Brogan's piece was widely interpreted as signalling a live British assassination threat against candidate LaRouche on the eve of his announcement - an assassination which could then be palmed off as a mere phenomenon of the "kook cult" world.

- Konstantin George

French Foreign Minister takes chair of the EC

French Foreign Minister François-Poncet made clear last week that France will use its chairmanship of the European Community Council of Ministers over the next six months as a political lever to promote cooperation of Europe and its Third World allies around the economic growth goals of the new European Monetary System. Key to this effort, François-Poncet made clear, is swift economic recovery European-wide, and an orientation to the industrial development needs of the rest of the world. Following are excerpts from his speech to the European Parliament in Strasbourg on Ian. 17.

'First, concerning the internal affairs of the community, before dealing with technical affairs we must first think of the men and women who inhabit our countries and who will not really believe in Europe until it helps them satisfy their needs and their aspirations. This means that together we must seek a satisfactory level of economic activity and a reabsorption of unemployment.

"Five years after the great trauma of 1973, the economic situation of the member states, is not, on the whole, satisfactory; each of us, though to different degrees, still feels the effects of slow growth, high inflation and unemployment. The first imperative for Europe is therefore to get out of the crisis.... The ambitions of the Community must complement the national efforts, adding that which can only be realized together, introducing a multiplying coefficient into the various national efforts....

"A durable solution to the problem of unemployment necessitates action to adapt the industrial structures to the conditions of the new world economic order. It is on this basis that the Community has taken on the difficulties hitting the steel industry....'

Later in his speech Francois-Poncet made clear that the new world economic order will be met only with an advance in energy technology into the era of controlled thermonuclear fusion. The recent increase in oil prices decided by OPEC confirms the importance of a Community energy policy, and we must not be stopped by the disappointments of the past. The Presidency (of the EEC Council of Ministers) will notably commit itself to bring to fruition the discussions on energy savings and new energies, as well as the efforts concerning the second four-year plan for energy research and development, as well as the program for research and teaching in the field of controlled thermonuclear fusion, in which the hoped-for success of the JET project (Joint European Torus, Europe's joint fusion project — ed.) can manifest in an overwhelming way the eminent place of Europe."

Cambodia: end of Kissinger's

Collapse of Pol Pot regime shows dead end of China card

The establishment in Cambodia last week of the People's Republic of Kampuchea swept away far more than the genocidal regime of Chinese backed leader Pol Pot. High on the list of victims was the much-heralded "China card" policy of Henry Kissinger and Zbigniew Brzezinski.

China was the central issue in the latest conflict in Indochina, which saw an anti-Pol Pot organization, the Kampuchean United Front for National Salvation, seize control of the country with the aid of the Socialist Republic of Vietnam. Peking's well-known desire to dominate Southeast Asia, using such instruments as the fanatical followers of Mao's Cultural Revolution who ruled Cambodia for the last four years, was formidably confronted by the combined forces of Cambodian patriots opposed to the destruction of their country, and the staunchly independent Vietnamese.

The end result was predictable: the anti-Pol Pot forces moved quickly through Cambodia, sending the defending troops fleeing as the government was unable to muster support from the population it had so incredibly abused during its reign. Instead, as one army official in Thailand reported, the Cambodia people who managed to survive the mass murder.

In this section

Executive Intelligence Review analyses:

- _ Collapse of the Pol Pot regime shows dead end of China card policy.
- The new Cambodian government's program for national reconstruction, and plans for development of the Mekong River basin.
- How the Vietnamese see the Cambodia conflict, an interview with Vietnam's Foreign Minister.
- What Cambodia was like under Pol Pot, plus excerpts from the debate at the United Nations.

disease and overwork of the last four years greeted the anti-Pol Pot forces as liberators.

China, which dreams of confronting the Soviet Union, had continuously prompted the Pol Pot regime to launch border incursions and other harassment against Vietnam, but failed to come to the aid of its client state when the going got rough. In a fashion typical of the Chauvinist outlook of the long-dead Han Dynasty Empire, the Peking leaders looked to other countries to do their fighting for them.

Few countries came to the aid of Peking however, and most conspicuous in their absence were those supposedly most concerned about Vietnamese "expansion," the nations of Southeast Asia. Having a profound hatred for the racial chauvinism of the Chinese, the key countries of the Association of Southeast Asian Nations, Indonesia and Malaysia, have made clear through their "neutrality" that they view the setback suffered by Peking as an opportunity to bring stability to the Southeast Asian region.

Left holding Pol Pot's bags were the rulers of Peking, together with the promoters of the "China card" within the Carter Administration. During the last few months the Administration has consistently attacked Vietnam for "aggression" against Cambodia, and, while "distancing" itself from the Pol Pot regime, proclaimed support for the "territorial integrity" of Cambodia. Expounding such lofty principles has been insufficient to hide the true intentions of the Administration however.

The Administration has followed completely the policy first set forth by Henry Kissinger of granting to China a "sphere of influence" in Asia, as part of a "strategic second front" against the Soviet Union. This has been made the highest priority in the Asian policy of the Administration, and all other considerations are secondary. The United States officially allied with China to keep the Pol Pot regime and its Dark Ages economic and social policies in power, as part of the effort to achieve a "strategic" relationship with China. Not only was this policy dramatically set back by the events in Cambodia last week, but Mr. Brzezinski and Mr. Kissinger have more than ever shown themselves to be easy prey for the Chinese efforts to play the "American card."

New Dark Age

policy

As China was unable to affect the Cambodian situation on the battlefield to its liking, it shifted the campaign against Vietnam to the United Nations, with the aid of Washington. Most press sources have interpreted the Security Council 13-2 vote in favor of a Chinese-inspired resolution calling for Vietnamese withdrawal from Cambodia as a victory for Peking, but seasoned observors of the UN affairs know otherwise. China has never before actively participated in the workings of the Security Council, despite its status as one of the five "permanent members" with veto power over resolutions. The fact that China, for the first time, was forced to take its case to the United Nations was in itself a deeply humiliating action for the rulers of Peking.

The main star in the Chinese-orchestrated United Nations proceedings last week was Cambodian playboy and former chief of state, Prince Norodom Sihanouk. Sihanouk was transported to New York by the Chinese, who managed to convince the Council to allow the prince to speak as the appointed representative of the Pol Pot regime. The "comic-opera" prince had a hard time arguing his case however, as he simultaneously denounced the Pol Pot regime, while claiming that he himself was a representative of that government. The stress apparently became too much for Sihanouk, who is now in Lenox Hill Hospital in New York, suffering from a nervous breakdown after a night-long, rambling discussion with U.S. Ambassador Andrew Young. Sihanouk is reported to have complained to Young that he did not want to go into exile in China, and could not reconcile the "contradictions" in his presentations to the Council. Such was the Chinese "victory."

Though the resolution of the Council mildly critical of Vietnam was not adopted, as a result of the veto by the Soviet Union, the United Nations showed itself to be more concerned about the "territorial integrity" of Cambodia than with the three million murdered citizens of the country, and continues to recognize the Pol Pot regime as the "sole legal" government of the country. It has been noted by experts of the UN that one reason for the apparent support for Pol Pot against Vietnam by the UN was the reluctance of the developing countries especially to set a legal precedent of backing armed intervention of one country against another.

Inside Pol Pot's Cambodia

"We were ordered to use bamboo sticks to club the prisoners to death by smashing their heads or necks.... The security personnel standing behind us warned us that anyone resisting the order would be killed on the spot himself..."

—Cambodian soldier

"A commander growled: 'You belong to the first category and your hospital is to be destroyed. It is advisable that you be killed '..." —Cambodian hospital worker

"The slogans frequently cited by the (Pol Pot) government are that democratic Kampuchea does not need intellectuals and that the more education one receives, the more reactionary one becomes..."

> -Radio Hanoi (more on page 15)

Stability in the region

The new reality in Southeast Asia is that the end of the Pol Pot regime has ushered in the greatest opportunity for stability and peace in the region since the withdrawal of American troops from Indochina. The countries of the area have unmistakably made this point. A foreign ministry spokesman for Indonesia stated two days ago that the new Cambodian government "could bring stability to Indochina" capable of "extending itself to the rest of Southeast Asia." And Indonesia does not stand alone. Thailand's Prime Minister Kriangsak Chamanad told a press conference in Bangkok earlier this week that his country "still believes in the assurances of (Vietnamese Prime Minister) Pham Van Dong that Vietnam will respect Thai sovereignty." Only Singapore, which rivals Hong Kong for extent of British influence in the country, has criticized the Vietnamese action in Cambodia.

The absence of anti-Vietnamese sentiment in the region should come as no surprise to anyone familiar with the events in Southeast Asia over the past two years. Vietnam has continually sought improved relations with the Association of Southeast Asian Nations (ASEAN) member countries, and all border and other kinds of military tensions have been virtually removed. The recent tour of Pham Van Dong to the ASEAN countries led to widespread discussion of the great potential for regional cooperation on economic and other matters.

Perhaps most significant in the reluctance of the Southeast Asian countries to attack Vietnam was their intimate knowledge of Hanoi's two-year effort to resolve border and other disputes with the Pol Pot regime in a peaceful manner. In the midst of the Carter Administration's duplications accusations of "aggression" against Vietnam, it is an easily forgotten fact that border claims against the whole of the Mekong delta region of Vietnam made by the Pol Pot regime were the source of the border conflict between the two countries. As the Vietnamese representatives at the United Nations often repeated, Hanoi tried on numerous occasions to have this border dispute discussed at the United Nations, but China and its Pol Pot puppets repeatedly refused.

Provided China can be kept on the diplomatic "defensive," and prevented from launching an invasion against Vietnam, the formation of a new government in Cambodia last week has opened the way for the achievement of great regional stability through economic cooperation. The Mekong River development plans, which have been under discussion for many years, provide the best potential for regional cooperation, and could easily be integrated into already existing plans among the ASEAN countries for industrial development.

The United States has by no means lost the possibility of participating in these regional development plans, provided the Carter Administration ends its policy of promoting a Chinese "sphere of influence" in Asia, and quickly normalizes relations with Vietnam. Hanoi has made every effort to accomodate the American demand that there by no preconditions to negotiations, a fact recognized by Assistant Secretary of State Richard Holbrooke on numerous occasions. In fact, it is now Washington which has placed preconditions on Vietnam: that Hanoi sacrifice its independence, and recognize Chinese hegemony in Asia. As long as the Carter Administration maintains this policy, it will continue to suffer such strategic setbacks in the region as the recent Cambodia events.

-Peter Ennis

The China menace: then and now

China's response to the Cambodia crisis is nothing new. In fact it is the second time in this decade that Peking has supported a brutal dictatorship in Asia and then tried to get the U.S. to save it for them. It is useful to compare the events of 1978-79 in Cambodia with the very similar events in South Asia in 1971 which resulted in the creation of a new government in the independent nation of Bangladesh.

In 1971, the military junta of Pakistan imposed a brutal military campaign on East Pakistan, ruthlessly suppressing the movement for the creation of an independent Bangladesh, led by Sheik Mujib. This movement had in the elections of a year earlier received the almost unanimous support of the people of East Pakistan. The junta of Gen. Yahya Khan, after refusing moderate demands for autonomy, carried out systematic butchery of intellectuals by the thousands, burning villages an all out war on the people. An armed struggle of the Bangladesh liberation movement was created to fight this brutal dictatorship.

Just as in the case of Cambodia, the U.S. had almost nothing to say about the destruction of human rights in East Pakistan. Along with the Peking regime, whose ties to Pakistan were extensive, they instead proclaimed their only interest to be the preservation of the territorial integrity of Pakistan.

Kissinger and U.S. Policy

In 1971, as in 1978, the main visible interest of the U.S. administration under Henry Kissinger's direction, was to seek favors of China. This was the time of the Nixon visit, of American pursuit of the China alliance and normalization. Pakistan. like Cambodia, was a stepping stone to that alliance, considered only as it served in a geopolitical game.

In 1971 the government of India, under the leadership of Prime Minister Indira Gandhi, was deeply concerned about the events in East Pakistan and expressed this concern repeatedly to the world. Similarly, if we examine the record of the past year, the Socialist Republic of Vietnam has repeatedly tried to seek normal relations with the U.S., to look for American economic assistance and trade, and to commit itself to the stability of Southeast Asia.

In 1971 the Indian government, after repeated efforts, moved to support the liberation struggle in Bangladesh. In the early part of that year, India signed a Peace and Friendship Treaty with the Soviet Union, a crucial strategic act which both reaffirmed the friendly ties of the two countries and provided Soviet support against the U.S.-China-Pakistan axis which threatened the security of the subcontinent. In 1978 Vietnam signed a similar treaty, and did so to affirm its friendship ties and to provide strategic support against a building campaign of threatened and actual Chinese aggression against Vietnam, carried out through its puppet Cambodian regime.

In 1971 and 1978, when all other routes were exhausted and brutality after brutality was perpetrated against the populations of Bangladesh and Cambodia, war erupted. The liberation forces of Bangladesh, with the strong support of India and its army, moved to overthrow the military regime and establish a free nation, just as the liberation forces of Cambodia with Vietnamese support did this past week.

The U.S. and Chinese response in 1971 foreshadowed 1978. With cries about "territorial integrity" being violated, the U.S. 7th Fleet, led by the carrier Enterprise, moved toward the Bay of Bengal. At the UN, China and the U.S. colluded to condemn 'Indian aggression.' The Chinese paper tigers, who Kissinger reportedly assured the Pakistan regime would intervene to help save their necks, moved troops to the Indian border. Again last week, when Chinese troops massed on the Vietnamese border. the Chinese were too scared to act by themselves.

China's "America Card"

Twice in the same decade the Chinese have chosen to play their "America card," to use American power and influence for their expansionist designs. Kissinger was only too ready to play this role in 1971, and would do the same now if given the full opportunity. Twice the U.S. has been led up the garden path by China and left holding the hands of brutal fascist dictatorships who serve Chinese aims and interests.

—Daniel Sneider

The new government's program

The following excerpts, taken from the Declaration of the Kampuchea National United Front for National Salvation and released on Dec. 3, 1978 by Saperamean Kampuchea (SPK), news agency of the Front, contain the key elements of the Front's program for transforming ravaged Cambodia into a modern industrial republic.

... Following the restoration of our total independence, our people could have enjoyed peace, devoted might and main to national reconstruction, and established relations of solidarity and friendship with socialist countries and all countries loving peace, independence and freedom in Southeast Asia and the world as a whole.

However, during the past three years, things have happened in a completely opposite way. A dictatorial, militarist, and fascist regime, matchless in history for its ferocity, has been installed in Kampuchea. The reactionary Pol Pot-Ieng Sary gang and their families have totally usurped power, sought by all means to betray the country and harm the people, causing innumerable sufferings and mournings to our fellow Kampucheans, and threatening our people with extermination. It is the Chinese authorities who have encouraged and backed to the hilt these traitors and tyrants.

Only a few days after liberation, under the signboard "allround, radical social revolution", and "social purification" they razed the towns and forced millions of people in cities and urban centers to leave their homes and property for the countryside to lead a precarious life and die slowly through hard labour.

They have cut all sacred sentiments of people toward their parents, between brothers and sisters, husbands and wives, and even among neighbours. In fact, they have razed villages where our people have lived and woven sentimental ties for thousands of years.

They proclaim "forcible co-operativization", "abolition of money and markets" and force people to eat and sleep in community. In fact, they have herded our compatriots into camouflaged concentration camps, robbed our people of all means of production and consumer goods, forced them to overwork while giving them the minimum of food and clothes, forcing all strata of the population to live in misery as slaves. They classify people into different categories with a view to subduing them more easily and to making them kill one another.

Decidedly the crimes of the Pol Pot-Ieng Sary gang, can no longer be counted! Everywhere our people have witnessed massacres more atrocious, more barbarous than those committed in the Middle Age or perpetrated by the Hitlerite fascists.

They have even declared that they would not hesitate if they had to sacrifice millions of our compatriots for the sake of building socialism the way they chose. In many places they have massacred the people in whole villages and whole hamlets. They spare not even foetuses inside mothers' wombs! Worse still, they intend to massacre more than 1,700,000 people in the Eastern Region. In the face of this situation, hundreds of thousands of people have risen up against them, tens of thousands of people whose lives are threatened have been forced to leave the Motherland for abroad. Those who stay back in the country live in constant fear — like fish caught in a net not knowing when their turn will come to be massacred....

To camouflage their abominable crimes against our people and fool public opinion at home and abroad, to serve their dark design of building a barbarous dictatorial and militarist regime ready to kill all those who refuse to submit to them, and to serve the strategic aims of great-nation expansionism of the Chinese authorities, they have provoked a border conflict with Viet Nam, thus turning friend into foe. They have transformed our revolutionary armed forced into mercenaries for the Chinese authorities, and into a tool to suppress the people's uprising

To fulfil its historic mission, the newly-formed Kampuchea National United Front for National Salvation undertakes:

- 1. To carry out a policy of great national union, and overthrow the dictatorial, militarist and nepotic regime of the reactionary Pol Pot-Ieng Sary clique. To dissolve the people's representatives assembly created by Pol Pot-Ieng Sary. To hold general elections to a National Assembly; to reorganize a people's democratic power at all levels; to work out a new constitution guaranteeing the people's democratic power at all levels; to work out a new constitution guaranteeing the people's rights to equality, to real freedom and democracy, and to establish the legislation of an independent, democratic state advancing to socialism.
- 2. To build revolutionary mass organizations of Kampuchea affiliated to the Kampuchea National United Front for National Salvation....
- 3. To build and develop the Kampuchean revolutionary army which, together with the people, have the task of crushing the reactionary Pol Pot-Ieng Sary administration....
- 4. To realize the people's rights to real freedom and democracy and respect their dignity. All Kampucheans have the right to return to their old native land, and to build their

Cambodia's Dark Age

"They (the Pol Pot regime) abolished family life, the existence of villages, and the structure of society. They deprived the people of all freedoms, all democratic rights, all means of production for everyday life, and forced our compatriots into labor camps as in the Dark Ages. So many of our cadres, combatants and compatriots were massacred or died of consumption in this slave-like existence." (From the Jan. 11 manifesto of the Kampuchean People's Revolutionary Council.)

family life in happiness. All Kampucheans have freedom of residence, movement, association, and religion, and have the right to work, recreation and education. To guarantee freedom of person. All ethnic groups in the Kampuchean social community have the right to freedom, equality, and share the same rights and duties.

5. To carry out an independent and sovereign economic policy tending towards genuine socialism. To rebuild our wartorn country. To restore the national economy ravaged by the Pol Pot-Ieng Sary regime. The new economy shall serve the people's interests on the basis of agricultural and industrial development. It will be a planned economy with markets, meeting the needs for progress of society.

To abolish the compulsory "work-and-eat-together" system, and to put an end to the Pol Pot-Ieng Sary policy of seizing the people's rice and other property. To assist and encourage mutual-aid and cooperative forms on the basis of the peasants' voluntariness in order to boost production and improve the people's living standards.

To establish banks, issue currency, restore and develop the circulation of goods. To broaden the home trade and increase economic relations with all foreign countries on equal footing with mutual benefits.

To abolish the Pol Pot-Ieng Sary policy of back-breaking forced labour. To carry out the policy of eight-hour work day and pay according to labour.

6. To abolish compulsory marriage, and encourage free choice in marriage, and restore the happy life of every family. To realize sex equality and create all favourable conditions for women to get education and improve their trades in order to serve society like men.

To care for war invalids, families of war dead, and families which have rendered good services to the revolution.

To care for the people's health, aged and infirm people, and orphans.

To care for and defend the legitimate interests of overseas Kampucheans. To have a correct policy toward foreign residents in Kampuchea.

7. To abolish the reactionary culture of the Pol Pot-Ieng Sary gang. To build a new culture with a national and popular character. To do away with illiteracy, develop the national education, build general-education schools, universities and

Green light for Mekong development

A mammoth multi-phased project for the development of the lower Mekong River in Southeast Asia, involving the construction of a score of dams, dozens of power plans, extensive irrigation grids and numerous industrial facilities spanning four countries, may finally become a reality in the wake of the demise of the Pol Pot regime in Cambodia. The project was designed in the 1960s but largely shelved due to the Vietnam War, and since 1975 by the intransigenace of the Cambodian government and continuing security problems in several countries.

The Mekong plan calls for four to six mainstream dams on the Mekong River along its course through Thailand, Laos. Cambodia and southern Vietnam, and ten or more dams on tributaries, providing for flood control — a major problem for all countries as demonstrated again by the devastating floods that wracked Vietnam, Cambodia and Laos last fall - large quantities of hydroelectric power generation, and controlled water for irrigation and other uses. The largest single part of the project, the Pa Mong Dam 15 miles upstream from the Laotian capital of Vientiane, would create a lake 10 times the size of that backed up by the U.S.'s Grand Coulee Dam in Washington State, and provide power for places as far away as Bangkok, the capital of Thailand, and cities in Vietnam. The dam would generate up to 4,800 megawatts of power, and cost \$2 billion to construct.

The full project would be the central institution for the development of four countries with a total population of almost 100 million — a super TVA dwarfing the original U.S. project. Since 1975, the principal obstacle to proceeding on the project has been the obstruction of the Chinese-backed Dark Ages regime in Cambodia, based on that regime's commitment to turning the clock backward, not forward, and using only labor-intensive manual labor in its agriculture. The very concept of the project, much less the effect it would have inside Cambodia in the direction of modernization, was another to the regime. That regime's unlamented demise last week clears away that obstacle.

Other problems included tensions between Laos and Thailand, the Chinese and U.S.-backed insurgencies in Laos and the Chinese-backed revolt in Thailand, and the continuing general instability in the region generated by the Cambodian-instigated hostilities with Vietnam. With the near-term stabilization of a progressive, industry-anddevelopment oriented regime in Cambodia, the entire region should soon enjoy its first secure stability in over 40 years — which should facilitate the immediate implementation of the full Mekong program.

secondary vocational schools. To give the right places to scientific workers, technicians, artists and other men and women of culture.

To protect and restore historical relics, pagodas and temples, and parks destroyed by the Pol Pot-Ieng Sary gang.

8. To warmly welcome and create favourable conditions for officers and soldiers, as well as public servants in the administration of the reactionary regime to rally with the people and fight back against the Pol Pot-Ieng Sary gang to save the Motherland and their own families.

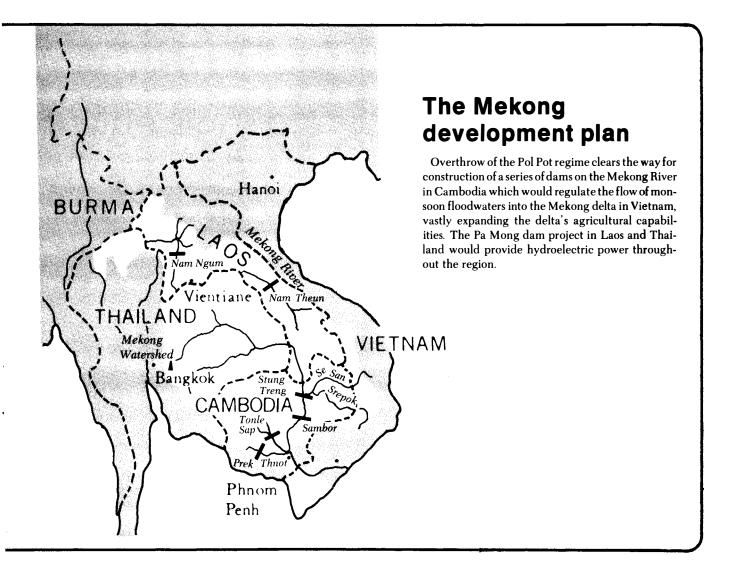
To duly punish die-hard reactionary chieftains who have committed bloody crimes against the people. To practice leniency towards those who sincerely repent. To give appropriate rewards to those with feats of arms in service of the revolution.

To give humane treatment to those in the ranks of the Pol Pot-Ieng Sary administration and army who have been captured in combat and help them to become decent people, useful to society.

9. To carry out a foreign policy of peace, friendship and non-alignment toward all countries without distinction about

thier political and social systems, and on the basis of peaceful coexistence, respect for each other's independence, sovereignty, territorial integrity, non-interference in each other's internal affairs, equality and mutual benefit.

- 10. To settle all disputes with neighbour countries through peaceful negotiations, and on the basis of respecting each other's independence, sovereignty and territorial integrity. To put an end to the border war with Viet Nam provoked by the Pol Pot-Ieng Sary gang. To restore the relations of friendship, cooperation and good neighbourhood with other Southeast Asian countries, and contribute to building Southeast Asia into a region of peace, independence, freedom, neutrality, stability and prosperity. Kampuchea will not join any military alliance nor allow any country to build military bases on its territory or send military equipment into Kampuchea.
- 11. To strengthen solidarity with all revolutionary and progressive forces throughout the world. To firmly support the common struggle of all nations for peace, national independence, democracy and social progress, against imperialism, colonialism and neo-colonialism.



Vietnam: a case of Chinese expansionism

At the end of December, shortly before the victory of the Kampuchean National United Front over the outlaw government of Cambodia, the Vice Premier and Foreign Minister of the Socialist Republic of Vietnam, Nguen Duy Trinh, granted an exclusive interview to the Indian weekly New Wave. As opponents of the U.S. China card had warned, the Indochinese leader focused on the threat posed by Chinese hegemonism. In the interview conducted by New Wave editor Ganesh Shukla, Trinh attacked the Chinese aspirations for dominance in Southeast Asia and predicted the recent victory of the people of Kampuchea. Since the interview the new Kampuchean government has announced a citybuilding plan to create a modern country. The abridged interview which follows was made available to New Solidarity International Press Service for publication:

EXCLUSIVE INTERVIEW

New Wave: The Peking authorities are reported to be not only inciting but also providing large-scale material support to Phnom Penh rulers. How do you view the prospects of the Kampuchean National United Front for National Salvation in meeting the Peking authorities' challenge, liberating their country and establishing normal relations with the Socialist Republic of Vietnam?

Mr. Trinh: It is true that the Peking authorities are using their agents in Phnom Penh to carry out their big-power expansionist policy and to oppose the Kampuchean and the Vietnamese peoples with Chinese weapons massively sent to Kampuchea and the help of many Chinese military advisors. The Pol Pot-Ieng Sary clique are barbarously repressing the Kampuchean people in the Middle Ages fascist style, and are unleashing a border war or causing provocations and conflicts against all three neighboring countries. The Pol Pot-Ieng Sarv clique constitutes an obstacle to the independence, freedom, and normal life of the Kampuchean people, and is also a factor against peace and stability in Southeast Asia.

Unable to live in this hell on earth, all strata of the Kampuchean people, regardless of different political orientations, are rising up to seize back their rights to live like human beings as all other nations. With its Political Programme and correct foreign policy, the Kampuchean National United Front, the genuine representative of the Kampuchean people, is mobilizing the entire Kampuchean people to carry out their struggle under various forms, to overthrow the Pol Pot-Ieng Sary clique, to build a new peaceful, independent, democratic and non-aligned Kampuchea which maintains the bonds of friendship and cooperation with the neighboring countries, namely Vietnam, Laos, Thailand, and other Southeast Asian countries. The Front is the quintessence of the Kampuchean people's earnest aspirations and constitutes a factor of peace and stability in Southeast Asia and in the world. That is why, all

men of conscience and those who look to the future have extended their sympathy and support to the Front. Though it has to go through difficulties, the just struggle of the Kampuchean people, like the struggles of the Vietnamese, the Indian and other Asian, African and Latin American peoples against imperialist domination, will certainly win total victory. The future of Kampuchea will certainly belong to the Kampuchean people under the glorious Banner of the KNVFNS.

New Wave: You have been meeting leaders of non-aligned countries. How far have the Chinese leaders succeeded in dividing the movement by making the Cuban assistance to some African countries an issue?

Mr. Trinh: Taking fright at the solidarity and the growth in strength of the Non-Aligned Movement, the international reactionaries in collusion with the imperialists, are leaving no stone unturned to divide, sabotage and divert the movement. They are trying by all means to slander the roles of Vietnam and Cuba in the Non-Aligned Movement. However, by supporting and assisting the struggle of the peoples in a number of countries against imperialism and colonialism, for attaining and defending national independence, building up a new economy and improving the people's living conditions, Cuba has precisely fulfilled its duties as a worthy member of the Non-Aligned Movement. That is why Cuba is enjoying the admiration of the world people.

Acting upon the resolutions of the Colombo Summit Conference and the Belgrade Conference of the Foreign Ministers of the non-aligned countries, Vietnam, India, Cuba and other non-aligned countries are actively preparing for the 1979 Summit Conference to be held in Havana. All designs and acts aimed at dividing, sabotaging the Non-Aligned Movement and causing obstacles to the convening of the Summit Conference in Cuba, will certainly be foiled.

New Wave: During his recent visit to some ASEAN capitals, Chinese Vice-Premier Teng Hsiao-ping made accusations against the Socialist Republic of Vietnam concerning the Vietnam-USSR Treaty of Peace, Friendship and Cooperation with a view to impeding the process of good neighboring relations between Vietnam and ASEAN countries. How do you assess the Chinese influence in this respect?

Mr. Trinh: The recent signing of the treaty of friendship and cooperation between Vietnam and the Soviet Union is a normal practice in international relations. It is well-known that treaties of this type have been concluded among many countries at the requests of the countries concerned with a view to serving the peace, stability, development and prosperity of each country, without harming the independence and sovereignty of others.

Vietnam has, till now, always strengthened its relations with the Soviet Union and other socialist countries, and at the same time, expanded its relations of friendship and cooperation with all other countries, regardless of different political systems, on the basis of respect for each other's independence and freedom, equality and mutual benefit. The treaty of friendship and cooperation signed between Vietnam and the Soviet Union is a necessary and fine development in the relations of mutual assistance among the socialist countries. This treaty has created favorable conditions for the Vietnamese people to step up their national construction and defense. This is not a military alliance and not intended to oppose any third country. It meets the basic interests of the people of Vietnam and the Soviet Union and also contributes to the cause of world peace and cooperation among nations.

Vietnam pursues a consistent and principled policy toward the Southeast Asian region. During his recent visit to other Southeast Asian countries, Prime Minister Pham Van Dong has, together with the ASEAN leaders, affirmed the principles governing the relations between Vietnam and other Southeast Asian countries, which are reflected in the historic bilateral joint statements.

The Peking authorities' stand and distortions aimed at dividing Vietnam and other Southeast Asian countries and covering up their speeded-up expansionist policy pursued in Southeast Asia will certainly be exposed and rejected by realities.

New Wave: Of late, there has been intensified propaganda concerning the so-called refugees. What are your comments? Mr. Trinh: The cause of socialist revolution has brought about a great change in the South Vietnamese people's political life. A number of people who used to live a luxurious life in the past and lived on the outside forces, cannot overcome the initial difficulties in the postwar period, caused by the long, fiercely destructive war of the imperialists and colonialists. These are the consequences of neocolonialism. We do not hinder anybody who wants to go abroad provided he goes through necessary procedures under the regulations and laws of the State. But those who fled abroad in an illegal manner, have caused difficulties to us. They have taken away with them many boats and other state property.

It is necessary to point out that in their lies, the criminal hands of the imperialists and international reactionaries, have designed not only to cause instability in Vietnam which needs internal stability and peace in international relations so as to heal the war wounds, to rehabilitate and develop the economy and culture, and gradually improve the living conditions of her people, but also nurtured a long-term scheme to undermine the socialist Vietnam.

Inside Pol Pot's Cambodia

The Vietnamese delegation to the UN this week called Pol Pot's Cambodia a "living hell." Although the U.S., Britain, and other nations have criticized Vietnam for supporting the overthrow of the Pol Pot government, no nation has refuted that characterization. In the testimony by Pol Pot's victims, the citizens of Cambodia, what emerges is a pattern of systematic mass killings — often indiscriminate, but sometimes singling out Cambodia's literate citizens — of the elimination of medical care, and the disbanding of public education down through the elementary levels — an attempt to turn a society backward in time to an early stone age culture.

Reproduced below are accounts by Cambodians of the barbarity of the Pol Pot regime, presented by the Vietnamese media late last year.

Mass Murder

Testimony of a captured Cambodian soldier, Mao Chan, broadcast over Radio Hanoi, Nov. 19:

I was captured by the Vietnamese forces on October 16, 1978 while leading my unit into Vietnamese territory in Dong Thap Province to prepare the way for the division's invasion of Vietnam.... While I was in the Pol Pot army, at the orders of the commanders, I took part in massacring many Kampuchean people. At the beginning of June 1978, our commander summoned all the company cadres to a meeting in which we were told that the higher authorities had assigned us to kill some

rebels. He asked whether we dared carry out this order. He warned us, however, that any of us who refused to kill would be in great danger.

At the end of the meeting, four other men and I led about 50 people to the execution ground. Among these people were 20 children and 5 elderly men. The rest were women. They were inhabitants of Prey Veng Province. We were each given a bamboo stick as long as a pickax handle. We were followed by a group of well armed security personnel.

When we reached a spot in the village we were ordered to use the bamboo sticks to club the prisoners to death by smashing their heads or necks. Some of us hesitated. The security personnel standing behind us warned us that anyone resisting the order would be killed on the spot himself. I personally killed 20 people with a pickax handle. The bodies of the dead were thrown into a huge grave and covered with dirt.

Besides my group there were many other groups assigned to execute people in the same manner. I know that many people have been killed in this way.

The destruction of religion

(Radio Hanoi, broadcast Nov. 17):

In an interview with foreign correspondents on August 5, 1978, Pol Pot revealed that in recent years the number of Buddhists in Kampuchea had dropped steadily. He said that now only pseudo-Buddhists remain. This comment from the head of the

Phnom Penh administration makes people worry about religion in Kampuchea.

Buddhism is Kampuchea's national religion. One Kampuchean refugee... said: Buddhism is highly respected in Kampuchea. There are many pagodas and the number of Buddhists is high. Children learn how to pray at the same time they learn how to read and write.

The Pol Pot-Ieng Sary clique considers Buddhists to be third-class citizens. They claim Buddhists are only dull and stupid parasites. They say Buddhists know how to eat but do not know how to do farm work. So it's necessary to eliminate them because they do no good for the new Kampuchea.

For more than three years the Pol Pot-Ieng Sary clique has killed Buddhists, Moslems and people of other religions. Almost all pagodas and statues were destroyed.... Another Kampuchean refugee ... said more than 300 of his villagers who complained about the harsh life under the Pol Pot-Ieng Sary regime were herded into a pagoda which was then set on fire.... Worshippers were forced to sit in the scorching sun for 24 hours and (were) then buried alive.

Genocide

(Radio Hanoi, broadcast Nov. 29):

Following is a statement by Mrs. Nim: I am 25 years old. I have 12 years of education—equivalent to Vietnam's second grade. I formerly worked at a hospital in Kampuchea's eastern region. My parents were farmers. My family was lucky to be considered by "the organization" as being in the first category. My husband and two of my brothers served in the army of the Pol Pot-Ieng Sary clique.

One morning in late May ... I was arrested by Kampuchean soldiers. At the time I did not realize why I was under arrest. All those soldiers wore Chinese clothes and caps and carried Chinese made weapons. They interrogated me. I boasted that my husband and young brothers were also fighting Vietnam. A commander who looked much younger than my brothers growled: "You belong to the first category and your hospital is to be destroyed. It is advisable that you be killed. However, since your husband and brothers are training their guns against Vietnam, we will set you free as a favor.'

I was overjoyed and frightened at the same time. Why would they destroy my hospital? I rushed home, taking a shortcut toward the hospital to inform the hospital workers and patients about the imminent danger. Doctors, nurses and patients totaling nearly 400 fled into the jungle. In the tumult of evacuation the soldiers arrived and started arresting anybody they could lay hands on, including the children. They killed people in different manners. They used axes to smash the heads of the adults and forced the children to lie down on the dirt trails and ran armored cars over them.

One day, I witnessed with my own eyes how two Kampuchean soldiers searched my house and spreadeagled my father on his bed, then slashed his throat like one would a pig. I was scared almost to death and fled into the jungle...

Crimes against youth

Radio Hanoi, Nov. 17):

Kampuchean children are not going to school and all textbooks have been burned. The slogans frequently cited by the government are that democratic Kampuchea does not need intellectuals and that the more education one receives, the more reactionary one becomes. Moreover, they also say that democratic Kampuchea needs only rice because once they have rice they can change everything. University professors and school teachers eat rice but they do not know how to grow it, therefore, they are nothing, garbage which must be destroyed.... According to hundreds of thousands of Kampuchean refugees in Vietnam and Thailand, Kampuchean children are assigned work according to their age. From 10 to 12, they collect manure for agriculture. From 13 to 16, they work in paddy fields from 10 to 12 hours a day. After they reach 16, their working hours vary from place to place. Sometimes, they are forced to work by day or night. Many have died of hunger in paddy fields.

... According to Nu Fut, a Kampuchean who sought refuge in Vietnam, over 100 children were detained at a prison near his home town in the southwestern military area. According to the ruling regime, they were guilty of refusing to fulfill their revolutionary duties. In other words, they let the buffalo assigned to their care go hungry or they failed to collect garbage or manure in the prescribed amounts. In spite of their guilt they wanted to eat, to return to their parents and even to cry when they were punished....

The real criminals

(From the Vietnamese paper Quan Doi Nhan Dan, Nov. 10):

According to several foreign sources, tens of thousands of Chinese troops are currently stationed in Kampuchea. Chinese soldiers disguised as workers are controlling and operating all of Kampuchea's airfields, railway stations and ports. They also handle all tanks and armored vehicles, artillery pieces, aircraft and radar stations. Chinese planes and ships are delivering arms and war equipment to Kampuchea at a quickening pace. A runway for fighter and cargo planes was recently built by China at Kompong Chang, 50 km northwest of Phnom Penh.

Chinese support

(Tape of a Cambodian military man who joined the resistance against Pol Pot, broadcast on Vietnamese domestic radio, Nov. 16):

I know that many Chinese specialists and advisers are present in almost all factories in Kampuchea. They are actually military cadres in the guise of specialists. They have been sent to Kampuchea to control the Pol Pot-Ieng Sary clique. I believe that this clique on its own would not have the courage to commit murderous crimes against the Kampuchean people. It has been incited to do this by its Chinese masters.

At the U.N.: everyone attacks Pol Pot's rule

From Jan. 11 to 15, the UN Security Council debated the issue of Cambodia. The United States and Great Britain, who over the past two years have repeatedly cited human rights and antiterrorism arguments as a justification for foreign intervention into internal affairs of other sovereign nations, now balked at what they claimed were the historical complexities and ambiguities in the Cambodia situation — but condemned what they claimed was "outside" Vietnamese interference into Cambodia. In effect, the major nations of the West found themselves — from whatever motives — defending the interests of China and its client government.

The Soviet Union, Cuba, and Vietnam, however, noted nothing ambiguous in the abolition of the barbaric Pol Pot regime, whose history is acknowledged even by the most vehement supporters of Pol Pot's continued right to govern.

We reprint below excerpts from the speeches at the Jan. 11 Security Council session by the Vietnamese, Soviet, and Cuban delegates making their case against China and the former Pol Pot government and against the Chinese resolution to condemn Vietnam. Also excerpted are the counterarguments offered by the U.S. and Prince Sihanouk.

Vietnam, USSR, Cuba say Maoism is to blame

Mr. Ha Van Lau, Vietnam: Problem is Peking

In order to draw a clear picture of the problem of Kampuchea. it is appropriate to make a clear distinction between two wars: one, the border war started by the Pol Pot-Ieng Sary clique against Vietnam, which the Vietnamese people have been forced to deal with, the other, the revolutionary war of the Kampuchean people against the dictatorial rule of the Pol Pot-Ieng Sary clique, which is an instrument in the hands of the reactionary ruling circles of Peking.

First of all, as regards the border war between Vietnam and Kampuchea, the Pol Pot-Ieng Sary clique started it very early, immediately after the liberation of Phnom Penh early in 1975. Confronted by that war, which had been imposed upon it, Vietnam clearly showed military restraint, and the entire world witnessed its persistent efforts to put an end to the conflict by peaceful negotiations.

On many occasions during the years 1976 and 1977 we proposed talks with the authorities in Kampuchea, who invariably categorically refused. And after waging that border war even more vigorously, the clique at the time in Phnom Penh unilaterally broke off diplomatic relations with Vietnam on Dec. 31, 1977. In spite of that, the government of the Socialist Republic of Vietnam, sincerely trying to avoid a breakdown in diplomatic relations, in its declaration of Feb. 5, 1978 put forward a well-known proposal made up of three points to bring about a peaceful settlement of the conflict; that proposal was put forward again on April 10, 1978, and yet again on June 6, 1978. Regrettably, though, it always encountered the obstinate refusal of the Kampucheans.

Throughout that period, in various international bodies, the Vietnamese side showed the same restraint and continued to put forward proposals aimed at settling the conflict by peaceful negotiations. On Mar. 10, 1978, Mr. Pham Duong, Chargé d'Affaires of the Socialist Republic of Vietnam at the United Nations, spoke with Mr. Kurt Waldheim, the Secretary-General of the United Nations, in an effort to determine what measures the Security Council could take to provide a positive response to the three-point proposal put forward by Vietnam on Feb. 5, 1978. In reply to our representation, the Secretary-General said that he was of the opinion that it would be difficult to achieve unanimity in the Security Council on a decision of that kind. We then interpreted the thinking of the Secretary-General as being concerned with the opposition of China — and that interpretation has been borne out by events. Once again, in Nov. 1978, the Pol Pot-Ieng Sary clique objected to consideration of the problem of Kampuchea by the Security Council.

In July 1978, at the Conference of Ministers for Foreign Affairs of the Coordination Bureau of Nonaligned countries in Belgrade, Vietnam proposed that an appeal be made for a settlement of the conflict between Kampuchea and Vietnam by negotiations. Thereupon, on July 28, and then on July 29, 1978, the Yugoslav President of the Conference and the Sri Lanka President of the Nonaligned Movement asked Vietnam to withdraw its proposal following opposition from the Kampuchean side.

A number of countries, which have relations with both Vietnam and Kampuchea, frequently demonstrated their desire to help both sides to settle the conflict by negotiations, but the Kampuchean side always put forward unreasonable conditions to justify its refusal.

It is perfectly clear from the events of the past four years that while as Vietnam has, militarily speaking, shown restraint and persevered in its efforts to pursue peaceful negotations, the Pol Pot-Ieng Sary clique had endeavored to pursue its war against Vietnam to the bitter end. One wonders: why has the Pol Pot-Ieng Sary clique acted in this way?

The truth is that the problem has its origin in the politics of the Peking authorities who are endeavoring to realize their aims of expansionism and hegemony as a great power in Southeast Asia. That policy is aimed at controlling the entire eastern sea, at pitting the three countries of Indochina against each other, and, at the same time, at using Chinese nationals and other pro-Chinese forces to intervene in the internal affairs of the Southeast Asian countries.

A Vietnam that is independent and master of its destiny seems, however, to be the greatest obstacle to this policy of Peking.

It is perfectly obvious that all these actions on the part of the Peking authorities have been coordinated according to a concerned plan aimed at weakening Vietnam and subjecting it to China's policies.

Like any other self-respecting country, Vietnam cannot accept such hostile maneuvers against its independence, its sovereignty and its territorial integrity, as well as against peace and stability in Southeast Asia.

That is the sacred right of self-defense of people faced with aggression. The slanderous allegations of the former Phnom Penh authorities, relating to the socalled aggression of Vietnam against Kampuchea and the alleged establishment of the Indochinese federation, were in reality made with the aim of camouflaging their crimes against the Vietnamese people, the Lao people and the Kampuchean people themselves.

I now turn to the revolutionary war of the Kampuchean people against the Pol Pot-Ieng Sary clique.

After their complete liberation, the people of Kampuchea might have enjoyed peace and prosperity as they stanched the wounds of war and set about the task of national reconstruction.

But the Pol Pot-Ieng Sary clique stripped the people of Kampuchea of all their rights, pursued inhumane policies, made that heroic people slaves and turned the entire country into an immense concentration camp: The towns were emptied of their inhabitants. The entire population of the country was treated like an enemy. They were registered under new names; they were categorized. All traditional links were disrupted: family ties, marital ties were all broken as new forced marriages were imposed. All freedoms and elementary rights were suppressed. There were no more markets, no more currency. All young people of 14 and 15 years of age had to enlist and were turned into professional killers. Women and children were murdered. Forced labor became the rule. There was famine, distress, and a lack of medicine and medical care, all on a very wide scale.

The society of Kampuchea became unique in the world and in history. It became living hell....

A new era is now dawning in Indochina. The Pol Pot-Teng Sary regime, a serious threat to the peace and stability of the area, has been abolished. The victorious National United Front for the National Salvation of Kampuchea has formed its new government, and has advocated building a truly independent and free Kampuchea, pursuing a foreign policy of peace, friendship and nonalignment, and of friendly cooperation with neighboring countries. This is a new factor which should benefit peace and stability in Southeast Asia.

In Southeast Asia, which has for many long years been suffering from instability because of numerous imperialist and colonialist acts of aggression, Vietnam is prepared to begin a new page of history in its relations with the countries of the area.

Mr. Troyanovsky, USSR:

The concepts of the Cultural Revolution

With support from outside, a narrow group of people usurped power in Kampuchea and deliberately placed the country in isolation to hide from the world the horrifying regime they had begun to implant in the country, converting Kampuchea into a bloody proving ground for barbarous experiments in accordance with the concepts of the notorious Cultural Revolution.

For some time the antipeople ruling clique managed to mislead world public opinion, and it had the temerity to describe itself as democratic and even as a socialist state. But, in the final analysis, its secret crimes were exposed. The doings of the rulers of Kampuchea, which everyone knows about now, were really highly improbable. They were hard to believe. In a country with a population of 8 million, the rulers destroyed from 2 million to 3 million people, according to statistics reported in, among others, the Western press. The vocabulary used in normal international practice to describe mass violations of human rights is simply inadequate for these monstrous crimes. After all, what human rights can we possibly be talking about, when the Pol Pot clique has methodically and systematically been destroying the Kampuchean people individually, by whole families and by whole villages, not sparing the sick, the old, or the children, and when it has been the goal to totally eliminate the intelligentsia — that is, all those with higher education, including teachers and doctors — and when young people have been transformed into butchers of their own people?... Just as grim a fate awaited the survivors. There was a massive resettlement of urban dwellers in rural regions.... The Wall Street *Journal* pointed out that in Kampuchea the population growth was brought to a total halt; there were practically no children younger than three years old, since most of the newly born died in the very first days after birth from their half-starving mothers' lack of breast milk. On the whole, as was reported by Time magazine, Kampuchea was reduced to the status of a primitive society. Everywhere there was manual labor; money was taken out of circulation; there was no postal service, no telephone service; there was a total absence of books; there was no system of education, and religion was prohibited. A night of terror and of the Dark Ages had descended upon Kampuchea....

Mr. Roa Kousi, Cuba:

An Infamous Regime

In our opinion, the point that needs to be considered is not the communication signed by Ieng Sary — even if the signature is authentic — but the fact that that person today represents no more than his protector, Teng Hsiao-ping. Indeed, the regime, which for three long years slaughtered the Kampuchean people with a ferocity passing all logic, ceased to exist four days ago.

The sons of Kampuchea, driven out of the cities by Pol Pot and his Maoist advisers and required to engage in forced labor in the fields and criminally decimated, are now returning joyfully to Phnom Penh and to their homes. They are now speedily restoring civilized life in that country, which had long enjoyed great culture....

Why then has it been necessary to convene this meeting of the Security Council? Can it be that here there will be condemnation of the crimes committed by the tyrant Pol Pot, inspired by the monstrous and ill-named "Great Cultural Proletarian Revolution" with its senile leader and his gang? Has the Council met to condemn the interference of the new mandarins of Peking in the internal affairs of Kampuchea, their constant encouragement of the Pol Pot regime against the Socialist Republic of Vietnam....

Young, Sihanouk defend Pol Pot's sovereignty rights

Andrew Young, United States: We should have acted long ago, but. . .

The invasion by Vietnam of Kampuchea presents to this Council difficult political and moral questions. The issue is affected by history, rival claims and charter principles. It appears complex because several different provisions of our charter are directly relevant to our deliberations. These are that: the fundamental principles of human rights must be respected by all governments; one state must not use force against the territory of another state; a state must not interfere in the affairs of another state; and if there is a dispute between states, it must be settled peaceably....

There is little doubt that all these provisions of key importance to the international community have been violated. One country has been attacked by another; its government has been overthrown. There was no recourse to the various international mechanisms to assist in the settlement of international disputes. Within Indochina, and particularly within Kampuchea itself, some of the worst violations of human rights in recorded history have taken place. In these circumstances, what is the responsibility of this council?

In answer to that question, my government believes we must look at one essential, contemporary fact. The troops of one country are now occupying the territory of another and have imposed a new government upon it by force of arms. That fact leads us to the conclusion that the solution to the problem we are discussing is clear: Vietnam must immediately withdraw its armed forces from Kampuchea, must respect that country's territorial integrity, and must make credible its intention to respect the territorial integrity of other states in the region....

Whatever the origin or the character of the socalled Salvation Front, which now claims to govern Kampuchea, there can be no question that Vietnam has conquered its neighbor. The use of Vietnamese troops, weapons and supplies, supported by Vietnamese aircraft, permitted the takeover of much of Kampuchea in a very brief period of time. The number, reliability and consistency of reports on this developing situation over the months leave no room for doubt.

The claim of the Salvation Front is that it has the support of the Cambodian people. The facts are that it now rules thanks to Vietnamese bayonets and that there has been no effort to determine the wishes of that people....

Regarding the brutal violations of human rights which took place under the Pol Pot government in Kampuchea, we believe the international community long ago should have brought the full weight of international condemnation to bear. We believe the Cambodian people deserve a government that will protect the fundamental human rights of all citizens in that country.

There were legitimate concerns raised by Vietnam about

Kampuchean activities against Vietnamese citizens within Kampuchea and along the common border of the two nations. But Vietnam's responsibility as a member of the United Nations was to bring its complaint to the United Nations. Border disputes do not grant one nation the right to impose a government on another by military force.

Prince Norodom Sihanouk: New government as bad as Pol Pot

As a patriot, as former King of Cambodia, as a man who loves his people more than his own life, I cannot sit idly by as my country loses its own personality; I cannot condone the prospect of my country becoming Vietnamized....

And what about Heng Samrin, Hun Sen and Samay? They are no Petains — far from it: they are unknown in our country. Nobody in our country has ever heard of these puppets of Moscow and Hanoi.

Would you accept that kind of person? If you would, Von Ribbentrop and Keitel should not have been hanged; Rudolf Hess should not have been condemned to life imprisonment, either. What is the point of maintaining the vast Spandau Prison, at such great expense to the four occupying powers, including the Soviet Union, merely to keep poor Rudolf Hess in captivity for his whole life, when you would accept here people worse than Rudolf Hess—the likes of the representatives of a so-called sovereign Cambodia?...

I turn now to the question of my alleged collaboration or cooperation with the Pol Pot regime. As President Jimmy Carter has correctly said, the Pol Pot regime is:

"The worst violator of human rights in the world..."

I now return to the subject of violations of human rights by Pol Pot. The representatives of Cuba yesterday cracked some sinister jokes at my expense. According to the lackey of the Soviet Union, it would seem that I am unfeeling about the sufferings of my people, that I have accepted to plead for the archcriminal Pol Pot and the archcriminal Ieng Sary in order to be in a position to play a part here — sheer love of acting and for love of Peking duck and the luxury and comfort that is being afforded me by the Peking regime. I am not as bad as all that.... But there are matters that are more serious than that. As members of the Council know, I have suffered much, but not because Pol Pot kept me under house arrest, not because I could not communicate with my friends by mail or other means....

For many months my government made it appear that I was an impolite, ungrateful individual with no understanding of international life. Does the Council believe that in those circumstances I did not suffer?.... I have suffered, and that is why the insults addressed to me by the Soviet bloc, beginning with Cuba, are unfair. I have suffered much. Deep inside me there is much suffering. Please understand that. There is a great deal of suffering. I simply cannot enjoy life.

Lyndon LaRouche declares for

'Break U.S. - London tie, reorient to Bonn - Paris EMS to stop

U.S. Labor Party Chairman Lyndon H. LaRouche, Jr., the intellectual architect of the European Monetary System and the most qualified economist in the world to bring the U.S. into the EMS's global development plans, declared his candidacy for the presidency in 1980 in Washington, D.C. on Jan. 15.

Speaking at 2:30 p.m. to a small press conference with international representation, and in the evening to a group of 130 invited guests, LaRouche explained in precise terms why he is running. "The fundamental decision before us is whether the U.S. continues to maintain its special relationship with Great Britain, or whether the government reconfigures its policy around the alliance between Paris and Bonn," LaRouche said. "If we stick with London, as Brzezinski wants, there will be depression, and perhaps world war — at least limited regional war, a new Dark Age. If we join the Paris-Bonn configuration of power, as sections of the State Department are leaning toward, these horrors will not occur."

"The Foreign Ministry of a well-known government told us today that they had no option but to support LaRouche," the candidate continued. "In their view, the difference between Haig and Carter was the difference between a quick and slow journey to world war."

"Thus, my candidacy has two functions," LaRouche explained. "The first is to get someone into the White House in 1981 who will lay the foundation for a century of prosperity to come, prosperity already presaged in the seed crystal of a new monetary system called the EMS. If I have been killed by the Queen, we must have educated someone to replace me in that task. The second, and subsumed object, is to make sure that we have a nation in 1981. And that means my functioning as a complete spoiler of London's Kennedy and Haig."

Context of Denger

"The U.S. is facing the most profound and decisive crisis in two centuries," LaRouche said in his evening address. "An EMS has been established that is not just an EMS, but a dedication to building a new monetary system over the next two years. This EMS, the same system specified by me in my International Development Bank proposal, will go through, if there is a world to bring it into being in."

"That's the problem. The nitwits running U.S. military strategic posture have ensured that the U.S. would lose a world war. And these same nitwits are maintaining a special relationship with Britain that will lead to that war."

LaRouche made it clear throughout his entire presentation that, despite significant steps taken by the EMS nations, and

supported by the USSR, to stop the Iran crisis that the world situation was deteriorating toward confrontation.

In addition to their drive for thermonuclear confrontation along Brzezinski's arc of crisis, the Queen's men have escalated their assassination threat against LaRouche himself.

LaRouche's appearance in Washington — his first public appearance in five months due to assassination deployments — was accompanied by an ID format slander in the Washington Post designed to further the isolation of LaRouche and thus set up the climate for assassination. Patrick Brogan, a correspondent of the Times of London, authored the slander of LaRouche, which called him a "cult leader."

"I doubt that such purity of motive should be extended to cult leaders, like Jim Jones, Sun Myung Moon, those ridiculous Indian gurus or Lyndon LaRouche," wrote Brogan. "This last directs the National Caucus of Labor Committees and his followers, as fanatical as any Moonie, believe in his vision of a world conspiracy directed by the Rockefellers which controls everything from the SLA to the PLO by way of the White House."

Such a slander is a common ploy by British intelligence to try to discredit the Labor Party and justify a hit as a "crazy cult," rather than a political assassination. Such a hit would be the trigger for the same kind of nation-rending terror that British intelligence has deployed against Italy for ten years, and thus for the onset of a "New Dark Ages" of savagery throughout the U.S.

Culture Shock Needed

"This country needs a culture shock," argued LaRouche. "That is why I'm asking foreign leaders to take steps, within the limits of discretion, to indirectly endorse my candidacy. They know I'm the only candidate with a policy they can live with. Their action is what's needed to break apart the stinking institutions of the U.S. which now smother the commitment of a full three-quarters of the American adult population to the principle of industrial progress.

"Without a culture shock the U.S. citizenry will once again adapt to practical politics." Circles in the New York Council on Foreign Relations will choose Kennedy and Haig for the Democratic and Republican parties, respectively, and about May of 1980, the average American voter would begin to debate who's the lesser evil. Aided by the controlled press—especially the TV stations, which are dominated by the Queen's Knights of St. John of Jerusalem—they will ignore policies that compare with their rational interests and decide to go with

presidency

war'

the institutions — in this case Haig — which will be successful. 'The interest of the nation? Oh, that's theoretical!' The U.S. citizens ignore it and act like a bunch of sheep. That tells you what the secret of real politics is — making the masses stop bleating!

"The appropriate shock we need to stop the bleating is already in preparation," LaRouche continued. "The U.S. is now in a state of shock. First, it is on the brink of thermonuclear war — closer, in the words of high West German officials, than during the Cuban missile crisis. Second, the U.S. is on the brink of a depression. Internationally, the U.S. has been discredited in the eyes of every major nation in the world! Nationally, we face a situation in which 25-30 percent of our youth has been morally destroyed — and in which, if the trend continues over the next two years, there will be no next generation.

"To these negative elements of culture shock," LaRouche added, "we need to add a positive alternative. We have got the \$30 billion package of support for the dollar that was forced by the Europeans — the only thing that's kept the dollar above 1.50 deutschemark over the past two months. In the EMS we also have the practical alternative in motion. If we get the appropriate support from Europe — that is, if the European governments say that my policy is what is required — then the combined effect of the shocks will split the current parties. That is the way — through shock — that institutions of many years split. In this case, major sections of the two parties will endorse my campaign, or they will split apart, or the United States is dead."

American System vs. the Dark Ages

"Let me give you an example," LaRouche went on. "What is Kissinger? What are Brzezinski? (after all, plural is appropriate for a schizophrenic, isn't it?) They are both representatives of London's policies, the policies of Chatham House, of Bertie Russell and his evil policy of a new Dark Ages.

"The issue is between these policies and the American System.

"The American System, as defined by Alexander Hamilton, is a dedication to the development of the productive powers of labor, to putting education and the tools of technology together for the advancement of the population. With this system, over one or two generations, we can lift every nation in the world to a level above the current standard of living in the advanced sector.

"FDR, during the period of Casablanca, proposed a Sahel

project which would go from the Atlantic to the Indian Ocean, and using the method of technology transfer, would make it one of the most productive areas of the world. Ike in his own way proposed a program long the lines of the American System with his Atoms for Peace program. Atoms for Peace was based on the correct judgment that energy, especially nuclear energy, was the necessary spearhead for any development in the developing sector. Such development was also the condition for Middle East peace.

"But Israel, Kissinger, and Brzezinski are puppets of London and London does not want peace.

"What London wants is shown in the Kissinger scenarios for the Second War of the Pacific," LaRouche said, "a scenario put together by the evil Einaudi family and the British Rand Corporation for war between Bolivia, Peru, and Chile over the supposed issue of Bolivia's access to the sea. It is shown in the Kissinger scenarios for Africa, where first a white-against-black, then a black-against-black conflict is supposed to plunge the continent into decades of war.

WhatIs Kissinger Policy?

"The Bernard Lewis scenario for the Middle East — the scenario that calls for the splitting of Lebanon into three parts, the partition of Pakistan, Turkey, Iran, Afghanistan, and the creation of a half a dozen new little tribal states in the area — is the scenario Kissinger carried out in his Middle East policy. The massacre of more than three and a half million people by the Chinese-British pedigreed Cambodian regime of Pol Pothead was the intended outcome of London policies, implemented by Kissinger et al.

"What is Kissinger policy?" asked LaRouche. "It is not the American policy of going into a country to weaken the opponents of America, and install a strengthened regime that will collaborate with America over the next 20 years or so. No, Kissinger's policy for Third World intervention is destruction, destruction for the purpose of destruction!

"This is the policy, the Bertrand Russell New Dark Ages policy, that was adopted by the British in the late 19th century, and took final shape in the 1920s. The British saw then that if the hunger for following the tremendous industrial progress being carried out in Japan, the U.S., and so forth infected the entire world, that these nations would form an alliance for technological progress on a world scale that would wipe the British out. So they then adopted two objectives:

1. Destroy Russia — if Russia with its vast popular and mineral resources could be taken out of any potential alliance,

that would cripple the opposition. Secondarily, the aim was to destroy the United States. This is the key to all Britain's geopolitics.

2. Impose the New Dark Ages, by inciting wars, up to and including the risk of thermonuclear war, that would wipe out the possibilities of scientific progress and challenge to the British oligarchy for centuries to come."

The Kennedy Death Plan

"Kennedy is also a representative of the New Dark Ages," explained LaRouche. "Take his prize program, the Kennedy Health Plan. In reality, it's a death plan. It runs on the thievery and the conviction of the British health system. 'You're indulging the people,' the British exclaim to their American counterparts. 'You're using too much surgery, too many expensive machines, you're saving too many lives'!

"The Kennedy death plan is an insurance plan. Well, guess what insurance companies are drooling to pick up this plan. The Sun Insurance Companies of Ontario — the very same financial interests who are linked to Kennedy family financial interests!

"This is corruption, but it goes further. Coordinating with Kennedy are Lazard Freres and their representative Felix Rohatyn with the complementary policy — municipal fiscal austerity, better known by its accurate name genocide. While Kennedy is selling health insurance, Rohatyn will be closing down the municipal hospitals and driving doctors out of business with artificially high malpractice insurance. When there are no hospitals in which to get your operation, how will you use your insurance? Who will keep the money?"

Some People with Courage

"The American people need some people who will certify that this candidate is correct," LaRouche concluded. "They need this shock to make sure that America gets rid of everything that smells like Kissinger and Kennedy, and to reorient American policy toward Bonn and Paris. Then we can move ahead toward the White House in 1981."

Besides Labor Party members from Baltimore, Washington, Philadelphia, New Jersey and New York, the heaviest representation was from universities and the Republican Party. Republican attendees included three former Congressional candidates, two Washington, D.C. central committee members and one nationally known Republican. A telegram of support for LaRouche's role in raising the appropriate issues in the 1980 race was received from a member of the Republican National Committee.

The event was also attended by several independent businessmen, a number of Muslims, some government workers, and one union leader. Telegrams came from fraternal Labor Parties in Mexico, South America, and Europe, as well as from other prominent Republicans, businessmen, Midwest labor leaders, and one national black organization.

Debra Hanania-Freeman, Congresswoman-elect and contestant to the 7th Congressional District, concluded the evening with a short report on the fight to unseat vote-fraud perpetrator Parren Mitchell through the same kind of culture shock LaRouche outlined as necessary to save the nation. Freeman also conducted the fundraising, which netted several thousand dollars for the newly established Citizens for LaRouche.

-Nancy Spannaus

LaRouche's adversaries—and competitors

Presidential candidate Lyndon H. LaRouche has distinguished his rival candidates and potential candidates as "competitors" — those with a muddled and/or potential commitment to the American System of industrial growth — and "adversaries" — those committed to the destruction of the American System on behalf of Great Britain. A scorecard on some of the leading contenders:

Competitors

Ronald Reagan. The former California governor is the acknowledged front-runner for the GOP nomination. Presently calling for industry-labor-farmer alliance to begin the dismantling of "Big Government." The question for Reagan: he has 57 advisors, at least 56 of them deadringers for Milton Friedman.

Incumbent Jimmy Carter. That Carter has come as far as he has is a testament to the power of the presidency for forced human development. But the fact remains that unless he is dragged into full cooperation with the European Monetary System, the Carter Administration will remain the slow road to thermonuclear war.

John Connally. On the stump in 1977, Connally was one of the few who immediately denounced James Schlesinger's no-energy program as the antithesis of the American tradition of technological progress. Like his old pal LBJ, Connally's biggest problem is an inferiority complex about Harvard intellectuals.

Robert Dole. Ford's would-be veep is a candidate in search of a program and issue. His education in the Hamilton-Carey tradition of political economy which produced Lincoln and the original GOP could turn the Kansas Senator into a serious candidate — as it could for more than one Republican hopeful.

Gerald Ford. Conventional opinion in Washington is that the former President will not face primaries again and has no real chance to win the nomination unless the convention deadlocks. Currently on fiscal austerity rampage with 95 percent of the GOP.

Adversaries

Ted Kennedy. Little brother wants to rewrite the Constitution as well, cf. Project '87. Teddy favors a piece-by-piece approach to make beggars opera social-fascism the law of the land. Meanwhile is getting ready to make a big splash in the 96th Congress, and iscircling over Carter like a vulture.

Alexander Haig. Frontman for Henry Kissinger and the British aristocracy, paperclip NATO commander Haig in the White House is a guarantee of Third World War.

Jerry Brown. The "Zen Governor" from California now wants a constitutional convention mandating a balanced budget, permanent federal tax-and-budget-cutting process. Why not a House of Lords and retroactive naming of Milton Friedman as a Founding Father?

Hanania-Freeman goes to Congress

Fight for EMS, against vote fraud hits Capitol Hill

While Congresswoman-elect and contestant Debra Hanania-Freeman (L-Md.) was taking her fight for U.S. integration into the European Monetary System and against vote fraud to hundreds of congressional offices, her opponent Parren Mitchell—the "official" holder of the contested seat—reportedly failed to answer two roll calls, but hours later slinked into the Hall of the House of Representatives for a private swearing-in ceremony.

Why was Mitchell so nervous?

The fraudulently certified "winner" of the Nov. 7 election in the 7th Congressional District of Maryland was apparently so afraid that other members of Congress would challenge his right to take the oath of office that he failed to appear on the floor of the House when the 96th Congress convened at 12:00 noon on Jan. 15.

When Mrs. Freeman — who was denied admission to the floor by Speaker of the House Tip O'Neill's official Parliamentarian and the Doorkeeper — learned of Mitchell's absense from congressional aides who were watching the ceremonies on closed-circuit television, she promptly confirmed that Mitchell was still not on the floor as of 2:30 p.m. Mrs. Freeman then went to Mitchell's offices to inquire as to whether this meant that Mr. Mitchell was conceding the seat. Mitchell's nervous aides could only stammer that they didn't know if he was even in town or what his plans were.

Disrupting the Fraud

As the new Congress convened, Mrs. Freeman, her aides, and a corps of approximately 50 volunteers visited every office on the House side of Capitol Hill, briefing Congressmen on Mrs. Freeman's spokesmanship for the European Monetary System and her challenge to drug-advocate Mitchell, and delivering copies of Mrs. Freeman's daily news briefing to all offices. The range of responses varied from enthusiasm and warm support from some offices, to hysteria from others.

Mrs. Freeman's supporters also maintained informational picket lines in front of the three congressional office buildings. This "disruption" of the usual passivity in the face of the most venal frauds and suppression of the real political issues affecting the future of the U.S. drew a positive response. Clusters of interested aides and visitors gathered around. The picketing was also covered on Channel 13, the ABC network affiliate in Baltimore.

Mitchell was eventually sworn in on Jan. 15, but his seating is conditional upon the outcome of the election contest which is now before the House Administration Committee. When the committee gets fully organized — in a matter of a few weeks — it will probably appoint a special panel to investigate the Freeman-Mitchell contest and will appoint similar panels to investigate the other election contests now pending before the House. Generally, some time in March, the Administration Committee makes its recommendation to the full House, which then votes upon it.

All observers agree that it will take a major political upheaval to get the Democratic-controlled House to unseat one of its members, which it has not done since 1934. During the last century, however, Congress took the issue of vote fraud far more seriously, with dozens of Congressmen being unseated in election contests.

Today, with the House Administration Committee now chaired by Frank "Tombstone" Thompson (D-N.J.), the sponsor of New Jersey's postcard registration fraud and "Operation Big Vote," a cover-up of the Baltimore vote fraud is already underway, which will require major political shock waves to reverse.

—EdwardSpannaus

What congressmen are saying about vote fraud

"I'm apalled that what is considered the leadership of the Republican Party consists of highly respected Congressmen who refuse to fight vote fraud even against their own candidates," reported Congresswoman-elect Debra Hanania-Freeman (L-Md.) from Washington, D.C. "Four Republicans are contesting elections results. In Louisiana, witnesses are being murdered!"

Freeman is contesting her own race against Parren Mitchell in an official complaint to Congress proving massive fraud. Mrs. Freeman gave Executive Intelligence Review a sample of responses from leading Republicans who were questioned about vote fraud:

John Rhodes (R-Ariz.), House Minority Leader.

Freeman: Are you planning any action against vote fraud to protect the 1980 elections?

Rhodes: No.

Freeman: Are you doing anything to protect Republicans who have already contested last November's elections on the grounds of fraud?

Rhodes: No.

Freeman: Do you realize that you are placing on yourself responsibility for a contrived Kennedy-Haig presidential race in 1980?

Rhodes: Yes.

Bob Bauman (R-Md.)

Freeman: You have four Republicans contesting fraudulent elections. They have very good cases before the House Administration Committee...

Bauman: I don't have time for this. I'm only interested in going into a meeting to get the rules for this session.

Freeman: Why I must lead the new Congress

A message to the American public from Baltimore's Congresswoman-elect

On Jan. 14, Debra Hanania-Freeman, the Congresswomanelect from the 7th Congressional District of Maryland issued the following statement to the U.S. population. The message delivered one day before the opening of the new Congress presents Mrs. Freeman's legislative packet which she will seek to have passed into law during her two year term. At present, who will occupy the seat from the 7th Congressional District is the subject of an official contest filed by Mrs. Freeman in the House which charges that her opponent Parren Mitchell was fraudulently certified.

According to estimates from European intelligence services, the world has been closer to thermonuclear holocaust in these first days of January over the Iran and Cambodian crises than at the height of the 1962 Cuban Missile Crisis. That danger is still only marginally lessened at this moment.

You are alive because my party and I mobilized internationally, sounding the alarm on three continents; and because French President Valery Giscard d'Estaing and West German Chancellor Helmut Schmidt told some home truths to President Carter at the Guadeloupe summit.

Next time we may not be so fortunate. And there will be a next time, very soon, unless we unite now to accomplish the following: first, force President Carter to fire his insane National Security Advisor Zbigniew Brzezinski; second, put a permanent stop to the World Bank/International Monetary Fund genocide conditions which are creating new hotspots in Turkey, Jamaica, and Peru; and finally destroy once and for all the British oligarchy which is determined to impose a New Dark Ages on humanity.

I know how to stop it, and I can stop it. But I can't do it alone. I need your help.

My defeated opponent Parren Mitchell's cronies continue to conspire to deny me the congressional seat I won in the November election. Tell your Congressman that I must be seated when Congress opens Jan. 15.

There are many good Americans already in Congress who want to do the right thing, who support the objectives of my program.

If I am in Washington to fight for that program on the floor of the House of Representatives, we can win. If I am not, our chances for survival are much less.

The Seven-Point Program for Congress

From the opening bell of Congress, my staff and I will be consulting and working with the committees responsible to get my seven-point program into legislative form for passage by both houses. My constituency and the American people should know that it is in committee that the work of Congress is done.

My staff has prepared a report on some key individuals in

the new Congress who hold positions on these important committees in both the House and Senate. Some are already useful public servants, some are potentially useful, some must be ruthlessly swept aside as enemies of the human race.

1. Integration into the European Monetary System: base U.S. foreign and domestic policies on a package of national economic recovery and the fostering of high-technology U.S. exports. In addition to Senator Stevenson and Representative Bingham, these Congressmen hold the relevant committee posts:

Senator Frank Church (D-Id.) — Zionist Lobby "liberal," wants to give Saudi Arabia the "Iran treatment." New chairman of the Foreign Relations Committee, he could try to sabotage State Department operations. Deserves retirement.

Senator Robert Byrd (D-W.Va.) — Senate Majority Leader. Could ably lead Congress to enact the American System program with leadership from the White House and constituency pressure funneled through the Senate. His leadership in the Senate is crucial to the other six points of the legislative program.

Senator Howard Baker (R.-Tenn.) — Takes too many orders from Henry Kissinger and the Republican National Committee. He must get the message that any more yapping about the "Soviet threat" and the European allies of the United States will demand the straitjacket for him. Republican Minority Leader, he has input into all legislative areas.

Representative Paul Findley (R-Ill.) — Could join Stevenson's. "third party" faction. Wants to rebuild the U.S. power and prestige in the Third World — so tell him about the EMS.

Representative William Stanton (R-Ohio) — Leading Republican on the House Banking Committee. A key man who must be taught to forget the IMF's rules and begin operating in the EMS geometry.

Representative John Rhodes (R-Az.) — House Minority Leader with input into all legislative areas. In Congress since Eisenhower was first elected President, ask him "How can you tolerate a Tory maniac like Henry Kissinger making policy for the party of Lincoln?"

Representative Jim Wright (D-Tx.) — House Majority Leader with input into all legislative areas. For energy development and growth, resists the Zionist lobby on Mideast policy. He and his crowd would go with the EMS if enough pressure is brought to bear.

Representative Tip O'Neill (D-Ma.) — Speaker of the House. From John F. Kennedy's old district, he has bad Kennedy machine habits. Steamroller for progress must flatten this roadblock against the EMS and the rest of the seven-point program.

2. Revision of the U.S. Tax Code: first, accelerate depreciation and amortization plus tax credits for basic improvements in manufacturing, mining, construction, agriculture, energy-

dense forms of energy production, transportation, education, housing and so forth; second, a step-wise raising of the exemption of household incomes. Important here are:

Senator Russell Long (D-La.) — The powerful chairman of the Finance Committee. To move the tax laws in the right direction, Long must get off his pet gimmicks and on the track with this comprehensive strategy.

Representative Dan Rostenkowski (D-Ill.) — Powerful Chicago boy who could make good by pushing the U.S. Labor Party's tax program from his number two post on the Ways and Means Committee. He needs an education on Hamiltonian economics.

Representative Jack Kemp (R-N.Y.) — Potential vice-presidential material, but his own Kemp-Roth tax package is totally inadequate. A plus is his desire for a fixed-rate monetary system like the EMS. Should do less campaigning and more homework with New Solidarity to become a valuable American leader.

3. Promotion of High-Technology Exports: remove the red tape strangling exports, form trading companies modeled on Japanese practices, and correct antitrust legislation. Along with Representative Jim Wright and Senator Edward Kennedy, important Congressmen here are:

Senator Adlai Stevenson (D-Ill.) — In a recent speech, he called for a "third party" in the tradition of Abraham Lincoln's Republican Party. For science, expanded exports and trade, he has denounced both "fiscal austerity" and the Humphrey-Hawkins "full employment" swindle. Playing Hamlet on the EMS — so get him off the fence. He is an important man on the Banking and Intelligence Committees.

Senator Henry Jackson (D-Wa.) — The original Manchurian Candidate, more obsessed than was Mao Tse Tung with destroying U.S.-Soviet relations and provoking World War III. Naturally, he was one of the Senate's charter environmentalists, holds the chairmanship of the Energy Committee, and is a good pal of Schlesinger's. Indictment required.

Representative Clarence Long (D-Md.) — Exports saboteur who thinks we should all live in caves, eat roots, and burn dung for fuel. Deserves his own cage in Rock Creek Park zoo.

4. Third World Debt Reorganization: teach the developing sector nations to apply Alexander Hamilton's national banking methods, and create sound new debt and credit instruments. Important committee members here are:

Senator Jacob Javits (R-N.Y.) — also known as "The French Angel." He favors SDR funny money over the dollar, IMF gangsters over the EMS, and Israel über Alles. He should be held for trial under the Nuremberg Statutes for crimes against humanity. He's on the Foreign Relations and Banking Committees.

Representative Henry Reuss (D-Wisc.) — Wants to wreck the dollar, provoke riots, and hock the whole nation to the Bank

of England. As chairman of the House Banking Committee, he has made a good start on it. He should be indicted for treason.

Representative Jonathan Bingham (D-N.Y.) — He has introduced a bill to allow Henry Kissinger to become President. Wants Israel to join NATO. Would sell New York to Israeli Prime Minister Begin for \$24 if his circuits are not blown before that.

Representative James Scheuer (D-N.Y.) — Wants to seal the U.S.-Mexican border, kill Mexicans, grab the oil, bust OPEC, and sterilize everybody. This Zionist lobby nut belongs in a padded cell with Edward Kennedy. Would you believe he is on the Health Subcommittee?

5. New National Energy Policy: centered on nuclear fission, fission breeders, and fission-fusion hybrids, the policy calls for the rapid development of commercial fusion energy and beefing up high-technology research and development. Along with Senator Jim Wright, the principals here are:

Senator James McClure (R-Id.) — The Senate's toughest fighter for nuclear power and the number two Republican on the Energy Committee. He knows the Middle East well and must now go for the EMS.

Senator Harrison Schmitt (R-N.M.) — The former astronaut with a gut level commitment to scientific progress. On both the Banking and Energy Committees, he needs to adopt an international humanist perspective and a lesson on the EMS.

Representative Robert Roe (D-N.J.) — Expected to push hard for an expanded nuclear program as a top man on the Science and Technology Committee. Needs your calls and letters to egg him on.

Representative Mike McCormack (D-Wa.) — On the Science and Technology Committee, he has led the fight for nuclear energy in the House and so deserves national support as well as invitations to get on the LaRouche bandwagon.

Representative John Wydler (R-N.Y.) — A ranking minority member of the Science and Technology Committee. He worries so much about Soviet science outstripping the U.S., when will he call for Schlesinger's resignation? Make it soon. 6. A Ruthless Elimination of the Drug Problem: with mandatory penalties for any form of marijuana usage, elimination of drug demand by top-down enforcement to cut off supply. This package is urgent to stop the slaughter of our nation's posterity, labor force, and defense potential. Representative Scheuer is a principal here along with:

Senator Edward Kennedy (D-Ma.) — "Genocide with a human face." He is the new head of the Judiciary Committee and has already hired extra photographers for his PR. For drug legalization, he wants to chop health care services, Nazify the court system, rewrite the Constitution of the United States, and "decentralize" U:S. industry through antitrust laws. He is definitely X-rated.

Senator Orin Hatch (R-Ut.) — Could be the new Republican Whip. A Reagan conservative, he needs to be pushed hard on the drug issue and told to block Kennedy's moves on the Judiciary Committee.

Senator Sam Nunn (D-Ga.) — The new chairman of the Permanent Investigations Subcommittee, he is reportedly about to go after the big drug networks and should get support. Respected on issues of defense, he should call for Brzezinski's resignation.

Senator Harrison Williams (D-N.H.) — A former alcoholic, he is chairman of the Human Resources Committee where the "dignity of dying" Kennedy style is always on the agenda. Entire committee should be disbanded as an emergency mental health measure unless it moves on the drug issue.

Representative Lester Wolff (D-N.Y.) — As the chairman of the Special Narcotics Committee, he should be putting a drugbanking scandal a week on the front pages. He is not. Are his Zionist lobby connections getting in his way? Demand that he hold public hearings on the evidence in the best seller *Dope*, *Inc.* which U.S. Labor Party investigators authored.

Representative Robert Michel (R-Ill.) — Minority Whip who hates the rock-drug-terror counterculture. Something of a "free enterprise" bullethead himself, he needs a pounding to get him moving.

7. Elimination of Vote Fraud: reruns of elections must be mandatory in all cases in which a reconstruction of the votes cast cannot be made. Senator Kennedy's involvement is notorious. The principals here are:

Senator Donald Riegle (D-Mi.) — A wholly owned subsidiary of the United Autoworkers, he is a tool of Max Fisher's underworld apparatus and should be hounded mercilessly.

Representative Frank Thompson (D-N.J.) — Messing up U.S. schools and promoting fascist work programs from his top post on the Education and Labor Committee, this crumb is also a vote fraud specialist. As chairman of the Administration Committee, he is personally trying to keep Debra Freeman from assuming her seat in the House. Give him hell and get him out.

Representative Guy Vander Jagt (R-Mi.) — A ranking member of the Republican Congressional Campaign Committee, he has good instincts, but is a candidate for an immediate spine-building operation. Needs a million postcards ordering him to go all out in the fight against vote fraud.

To everyone in Congress, send them this message: seat Debra Freeman and get on with the job of rebuilding America. "However surprising it may be to the founders and supporters of the European Monetary Fund, the new monetary system embodies one of the most fundamental scientific breakthroughs of the present century, and is the basis of a new world economic order which will conform in every essential feature to this writer's International Development Bank proposal of 1975."

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EMS leaders organize Europe from Atlantic to Urals

France, West Germany dethroning imperial Britain

French President Valery Giscard d'Estaing and West German Chancellor Helmut Schmidt are moving swiftly to organize Europe "from the Atlantic to the Urals" for a program of peace and development to bring the world safely into the third millennium.

Chancellor Schmidt indicated the intentions behind the current series of Franco-German deployments in an interview to *Der Spiegel* magazine on Jan. 15. Enunciating in the clearest way to date the underlying military-strategic intentions of the new European Monetary System, Schmidt stated that he "was not sure" the present military blocs would necessarily persist into the turn of the century. The blocs may prove temporary as a real détente unfolds under European leadership.

While Schmidt spoke, the French government had dispatched a delegation of disarmament experts to Moscow to initiate discussions for the European disarmament conference first proposed by Giscard at the United Nations this past summer. At the same time, Schmidt sent a personal envoy to negotiate enhanced economic and political cooperation between East and West Germany.

Disarmament and détente

West German Minister of Inter-German Affairs Wischnewski and East German Foreign Minister Oskar Fisher met on Jan. 15 to discuss developing relations. On the agenda was Fisher's suggestion to upgrade diplomatic representation to the ambassadorial level at both capitals.

Earlier, Schmidt himself stated on French television that he attaches much importance to the relations between the two Germanys. They share the unenvious position of being "potential theaters of war for the Armies of East and West," Schmidt said.

The effort for an overall disarmament accord including the Soviet Union is being organized by the French who dispatched the Foreign Ministry's disarmament specialist Jacques de la Ferriere to Moscow. Meeting with the Soviet Deputy Foreign Minister Kornienko and other officials, the French envoy is to work out an agreement with the Soviets around the "Atlantic to the Urals" European conference proposed by Giscard. Various press sources have reported that Schmidt was enthusiastic about the proposal when Giscard first brought it up at the Guadeloupe four-power summit two weeks ago.

Building European unity

As of Jan. 1, France and its Foreign Minister Francois-Poncet assumed the leadership of the European Community from Britain. He is taking full advantage of that six-month long responsibility to aggressively organize Europe behind the full and immediate realization of the European Monetary System (EMS).

Francois-Poncet is determined to solve the minor Franco-German differences over the agricultural compensation negotiations and get the new monetary system and the European

Francois-Poncet: Latin America an important European ally

French Foreign Affairs Minister Jean Francois-Poncet was the guest of honor at a dinner offered by the Ambassadors of Latin American countries in Paris on Jan. 12. During his speech Francois-Poncet delineated the following points of France's policy toward Latin America:

After asserting the basic solidarity that exists between France and Latin America based on history, culture, and common interests, the minister called for an increase in cultural and technological cooperation.

A great complementarity must be arranged between the countries of Europe and Latin America, particularly in the economic field. Europe and Latin American collaboration should include the participation of European industry and science in the "rapid economic expansion" and the "development of the natural resources" of the Latin American continent.

Through the common experience shared by the countries of Europe and Latin America, both can help "bring to international life a strength of analysis, thought, and balance that imposes itself beyond certain divergences."

In conclusion, François-Poncet expressed his conviction that the enlargement of the European Commission (to include especially Spain) will contribute to the reinforcement of ties between both continents.

currency, the ECU, rolling within a short time, reports one commentator on French government radio. At the European Community's Foreign Minister meeting on Jan. 16, Francois-Poncet first shut up Britain's David Owen who was raising ludicrous questions on the agricultural prices policy. Francois-Poncet told him that "since Britain doesn't participate in the EMS it has no right to make any demands."

The problem of the agricultural compensation question was then handled swiftly and efficiently. Francois-Poncet decided to convene a joint financial, agricultural, and foreign ministers meeting to settle the issue in the coming days.

Speaking to the European press on the meaning of France's presidency of the community, Francois-Poncet said he intended to accomplish the following tasks in the months ahead:

- 1) Realize the EMS.
- 2) Renegotiate the Lorne convention with 56 developing nations by July.
- 3) Bring Spain, Portugal and Greece into the European Community.
- 4) Negotiate more ambitious cooperation accords between the EC, Yugoslavia, and Romania (which Giscard is visiting Jan. 17) and also undertake talks with Comecon.
- 5) Set up economic development and energy plans for Europe.

Toward the Third World

With the ushering in of the EMS, the French have been taking responsibility for Third World stability and development. Following the visit of the Iraqi Vice President Maarouf to Paris to discuss cooperation between Europe and the Arab world, the French began to focus upon Latin America as a desirable and necessary European ally. Giscard d'Estaing is now preparing his official visit to Mexico in February which is intended to renew the French tradition of republican alliances for progress with that leading Latin American country.

On Jan. 12, Francois-Poncet was the guest of honor at a dinner given by all the Latin American ambassadors to Paris. Francois-Poncet stressed that what had to be done was to "expand the complementarity between the countries of Europe and Latin America" through European industry and science participation in the "rapid economic expansion" and "development of the natural resources" of that continent.

Even the traditionally conservative and timorous French businessmen's union has joined the movement, calling its members to face the "new industrial adventure." Association leader Ceyrac told a national congress of the organization that the two challenges of the future are the emerging industrialization of the Third World and the need to develop the most advanced technologies at home, like electronics and computers.

Looking into the future

In the minds of the architects of the European Monetary System, planning for future generations, for the world's entry into the third millennium — a constant reference in Giscard and Schmidt's speeches — is the only true way to secure the world against the danger that the U.S. Administration will blunder into a nuclear war with the Soviet Union through British manipulations of the White House.

— Garance Upham

France and Germany: Global diplomacy for peace and progress

Especially since the institutionalization of the European Monetary System on Jan. 2, French President Giscard and West German Chancellor Schmidt have been dispatching their diplomats and government officials on a round of meetings, talks, and dinners with their counterparts in the advanced sector, the Third World, and the East bloc. The topic: peace and development for the world.

Jan. 9

Iraqi Vice President Maarouf arrives in Paris for three days of talks with French government officials on cooperation between Europe and the Arab World to ensure the stability of the Middle East.

Jan. 16

French Foreign Minister Francois-Poncet addresses a dinner of Latin American Ambassadors to France proposing to expand the relations between the countries of Europe and Latin America through Europe's industrial and scientific participation in the economic development of Latin America.

Jan. 15

French Foreign Ministry disarmament specialist Jacques de la Ferriere is dispatched to Moscow for talks with Soviet Deputy Foreign Minister Kornienko and others on the proposed "Atlantic to the Urals" disarmament conference.

West German Minister of Inter-German Affairs Wischnewski meets with East German Foreign Minister Oskar Fisher on developing relations and upgrading diplomatic representation to ambassadorial status.

Jan. 16

European Community's Foreign Ministers meet under French leadership to further organize the EMS. Britain's David Owen told not to interfere.

Jan. 17

French President Giscard begins visit to Romania, a potential point of destabilization against the East bloc.

February

French President Giscard to visit Mexico to further French diplomatic and economic relations with that leading Latin American nation.

Schmidt sets German reunification course

In an interview, Jan. 15, with the West German weekly, Der Spiegel, West German Chancellor Helmut Schmidt gave a spirited defense of the nuclear fast breeder reactor as a new energy source, and sketched a program for the reunification of Germany in the context of an overall Atlantic-to-Urals development policy.

In the following excerpts from the 10-page interview, the Chancellor's contempt for the antinuclear and pro-terrorist Der Spiegel is quite evident. Never before has Chancellor Schmidt felt it necessary to warn a publication that they had better print all his "bitter answers" to their questions.

Spiegel: There is a difference as to whether it was an empire that the Germans looked for that collapsed or whether it was this Germany which did not yet exist even during Goethe's

Schmidt: What was said about the collapse is correct, but not because people were unable to conceive of a unified empire during Goethe's time. For how many wars did Frederick the Great and Maria Theresa lead against each other during the period of this Holy Roman Empire of the German nation, and on what different sides did the German kingdoms, Grand Duchies and so forth participate? Germans conducted war against Germans endlessly, for hundreds of years. And this is not only not the case between the DDR and the Federal Republic, but there also has never existed such a danger in these 30 years that such would occur.

Spiegel: Then, 30 years of the Federal Republic, 30 years of the DDR, only a footnote in history?

Schmidt: That is a journalistic formula that I will not make my own. The partition is in no way a marginal phenomenon.

Spiegel: But something that a person who thinks in terms of historical greatness does not need to take too seriously? Schmidt: It is something that must be taken seriously but by no means must be considered as lasting forever. Hindsight into history should do nothing less than open insight into the fact that present relations between both German partial states are not so bad as former relations among German partial states, even though at that time they formally belonged to one single empire.

Spiegel: You want to say: not tragic and not irreversible? Schmidt: No: already very tragic, but not final in my eyes. . . .

Spiegel: What does the picture of the entrepreneur of the future look like to you? Is there still the daring entrepreneur like in the 50s and 60s who is prepared to bear any risk that the market economy actually allots?

Schmidt: I think that in our industries, as well as in our banks and insurance companies and actually in almost the entire German economy, with exceptions that prove the rule, we have —

considering this through world-wide comparison — first-class management. Certainly not worse than the Americans or the Japanese.

But the question about the entrepreneur also means something else. What we relatively seldom meet with in Germany are the types who would fit into the motto of "Go west, young man," the new frontier types, people who have something new in their heads, who summon together their entire strength, who possibly even risk their own existence, in order to bring about something new. What has stepped in the background is the dynamic entrepreneur.

We had a whole string of outspoken pioneer types in Germany after the war. Many of them remained unsuccessful or finally had to put up with a failure, for example Schlieker and Borgward. But then there were also others, who were extraordinarily successful: Burda, Springer, Augstein, Korf, Grundig, for example, also the great export firms.

Spiegel: Where are the "young men" today, who go "west"? Schmidt: In the meantime the readiness to accept risks has decreased somewhat. But not only the side of the entrepreneur, but also on the side of the trade unionist and the employee. In general the readiness to accept economic risks has become smaller. Today we also have more to lose than we had in 1950 or 1955. . . .

Never before has a German state put such a high portion of its GNP to technical and industrial innovation as the Federal Republic of Germany.

Spiegel: For example, even in the development of alternative technologies to nuclear energy?

Schmidt: Yes,... Even nuclear energy was once an alternative energy to oil and coal, and it also must remain that way.... If we continue to have major problems with nuclear energy, then subsidies for coal in Germany will still have to be inconcervably bigh in the future.

Spiegel: And what resulted from this was that you consider the use of nuclear energy and the future development of nuclear technology to be irrevocable, even though the prognoses for energy use must often be revised?

Schmidt: You can perceive that from the fact that if I had suffered a defeat in the Bundestag voting on the continued construction of the fast breeder, then the subject would have immediately come up again for a decision and would have had to have been connected to a vote of confidence. I cannot be responsible for having our energy supply in the 1980s and 1990s caught between the clutches of two monopolies, the oil producers and the uranium owners. . . .

Spiegel: And just as little can it be justified that the Office for the Protection of the Constitution sets up unconstitutional bugs, that the BND (Federal Intelligence Service) reads through wagonloads of mail.

Schmidt: You make me very bitter, and later I will request that all of my bitter answers are printed. What you say is ridiculous. There is no possibility of excluding all possible misuse of law. Then you would have to forbid everything. And then the puppets would dance on the table in Germany.

Spiegel: You dispute the tendency towards the destruction of basic rights?

Schmidt: That is rubbish. Your basic rights have not been taken away. Nor mine. Rights have been temporarily restricted for those people who sit in investigative custody under suspicion of murder waiting for their trial, or who have already been convicted of murder but who still remain dangerous. I will remain an opponent of the death penalty until I die. . . .

Spiegel: What does this mean for maintaining or not maintaining the military blocs?

Schmidt: I am not at all certain as to whether in the next century, which will also be the beginning of the next millennium, the military alliances that came into being at the end of the Second World War will be the dominating structure in Europe and the world. I myself am really not certain whether they will still have to exist then. By no means do I exclude a change as a result of the process of aetente and of the process directed towards worldwide arms reductions.

Spiegel: Has our part in the process of detente become more difficult because we have to avoid giving any appearance as though we were allowing ourselves to be drawn into a political encirclement of the Soviet Union, since the Americans have been making eyes with the Chinese?

Schmidt: In light of the manifold of treaties that John Foster Dulles spun over the world 25 years ago, the Soviet leadership could have had more of an impression of an encirclement policy against the Soviet Union than today.

Spiegel: How must Bonn react to China's stormy courting for economic contacts, technological know-how and military aid? Schmidt: We have a political interest in having the People's Republic of China take a consciously responsible position in the community of nations. As an industrial nation we are interested in selling our wares. We will pursue this policy in relation to other countries of the world. This is directed against no one. We have consistently followed the policy of only supplying weapons inside the (NATO) alliance. We will also hold fast to this in relation to the People's Republic of China.

Count von Hapsburg:

Otto von Hapsburg is a leader of the Pan European Union whose goal it is to break up the sovereign states of Europe into a "Europe of the Regions." It is ironic that his outlook coincides so closely with that of Romanian President Ceausescu. As a ranking member of the "Black International" of feudalist

EXCLUSIVEINTERVIEW

aristocrats, the would-be heir of the Hapsburg empire has important control connections to the various ethnic separatist terrorist organizations in Europe that are the instruments for destabilizing governments. Recently given West German citizenship in the state of Bavaria, Hapsburg is now running as a candidate from fascist Franz Josef Strauss's Christian Social Union in the June 10 elections to the European Parliament. Hapsburg views the European Parliament as the eventual governing body over a balkanized Europe. For the not so long term, Hapsburg dreams of ruling over a reconstituted Austro-Hungarian empire, part of the thinking behind his interest in pulling Romania and Hungary away from the East bloc.

Hapsburg gave the following interview on Jan. 13 to a reporter who made it available to the Executive Intelligence Review for publication.

Ceausescu lines up behind

Romania and Yugoslavia have each issued a series of official statements condemning Vietnam for "violation of the sovereignty" of Kampuchea (Cambodia), by Vietnam's supporting last week's successful uprising against the murderous regime of Pol Pot. Accordingly, headlines around the world once again are proclaiming "Division in the Communist World."

The story, however, should be put differently. Romanian President Nicolae Ceausescu's plea for the legitimacy of the overthrown Pol Pot government of Kampuchea is only the latest, and most disgusting, of actions through which Ceausescu has tied himself to the Teng regime in China, Israeli intelligence, and the British Foreign Office.

Ceausescu's diplomatic agenda in 1978 included:

- (1) playing host to Peking's Hua Kuo-feng during Hua's tour of the Balkans to give speeches about "hegemonism," thus throwing down the glove in the Soviets' back yard;
- (2) cheerleading the disaster-fraught "Camp David" negotiations between Egypt and Israel, the separate peace scheme which Ceausescu helped initiate in 1977;
- (3) publicizing his refusal to endorse defense spending hikes at the November 1978 meeting of the Warsaw Treaty

China is 'national socialist'

Q: How do you view the possibilities for a Greater Europe visà-vis France?

A: In France, there are certain weaknesses and uncertainties in the Gaullist movement — people like Michel Debré and Jacques Chirac. I regret that the Gaullists do not yet have a candidates list for the elections to the European Parliament which Pan-Europa could support.

O: You have just returned from China. How do you view their role internationally?

A: The Chinese will be eminently useful in containing the Soviet Union. You know, the Chinese are not really communists and certainly not like the Russians. They are National Socialists. That is, not like the Nazis, but, you know, with stress on both "national" and "socialist."

The Siberian question as an issue between the Russians and China will be an important determining factor in the near future.

The Chinese are extremely sympathetic to the Pan-European idea and we can most certainly count on them as allies in that respect.

Q: Does that mean that an alliance with China would tend to effectively engage the Russians in the East while giving Europe the breathing space to strengthen its stand against the East bloc from here?

A: That's it, exactly. Except it would not do to trust the Chinese too much.

O: Could you comment on the recent events in Cambodia and Iran?

A: I don't think Cambodian Prince Sihanouk will make it to power again, despite his games at the UN. He is flamboyant, but does not have the energy to carry his intentions through to fruition.

In Iran, the Shah has outplayed his role, but the Bakhtiar government is not strong enough to survive. I recently talked to an acquaintance of mine in the Arab League which is soon going to be stationed in Iran. He told me that the Bakhtiar government will fall within a period of six months. Bakhtiar has no support. Once he falls, the extreme left will take over and run things.

Q: There are no other forces in Iran? What about Khomeini? A: Let me tell you something. Khomeini is controlled by the Russians from top to toe and has always been. He does nothing. writes nothing, says nothing without being ordered by the Rome office of the Italian Communist Party.

China and Pol Pot

Organization, the Eastern European military bloc of which Romania is a member.

The cover for these latest twists in Ceausescu's celebrated "independence" from Moscow is contained in his thesis, stated to French television in a Dec. 17 interview, that "We have come to the conclusion that, despite certain complex international problems, there is no question of the situation deteriorating toward war." In reality, Ceausescu at every turn is abetting the destabilization of nations all along Zbigniew Brzezinski's geopolitical "crescent of instability" from the Red Sea in the Middle East around to Indochina, which creates the danger of war.

Scinteia defends PolPot

Ceausescu is using the Vietnam-Kampuchea developments not only to boost China's bogus international campaign to defend Pol Pot, e.g. at the United Nations, but to cook up Eastern Mediterranean and Balkan problems for the Soviets — making another link in the chain of destabilizations. Working with Ceausescu are Tito's Yugoslavia and the Fanfani wing of the Italian Christian Democracy.

As the Kampuchean National Salvation forces, supported by

Vietnam, moved in to topple Pol Pot, the Romanian Communist Party paper Scinteia denounced "clashes among socialist countries" and wrote that "there is no argument which could justify the intervention and interference in the affairs of another state." On January 14, that is after the new government of the Peoples Republic of Kampuchea revealed the slaughter of millions of people under Pol Pot, Scinteia went further: "Nothing can justify support given to elements rising against their own government." Will Ceausescu next apply this judgment, retrospectively, to Soviet Red Army aid to those Romanians who fought in the underground against the fascist, Hitler-allied Antonescu regime during World War II?

Ceausescu went on to snub Soviet President Brezhnev personally. Brezhnev departed from Moscow by train on Jan. 11 to visit Bulgaria, the closest socialist neighbor of Romania. Brezhnev's choice of the rail route had the obvious included purpose of dramatizing Soviet concern with Ceausescu's antics; the train crossed Romanian soil on the way to Bulgaria from the Soviet border. Ignoring protocol, Ceausescu skipped greeting Brezhnev at a station stop and dispatched two underlings with a letter instead.

O: Then, you would say, there is no salvation for Iran.

A: No. nothing. Iran is finished. But let's go back to China. I was talking with one of the Deputy Premiers of the Red Chinese government. He said that he and everyone else in the Peking government were deathly afraid of going to southern China because there were continual revolts in that region over Peking's continual softness toward Vietnam. There will be a serious explosion in Vietnam over the Chinese refugee question.

Q: I'd like to discuss more about your perspective for Europe. What about NATO?

A: NATO no longer exists except on paper. It is finished and obviously, since the USA is no longer in a position to offer the military defense of Europe, a key aspect in this age of ICBMs for building Europe's defense is one based on the idea exemplified by France's force de frappe. The French defense system was vital for building a strong anticommunist network in Europe as a whole.

O: What about the battle over nuclear energy?

A: Very dangerous, nuclear power and high technology. Very dangerous indeed. Science cannot be spread out in an unprincipled fashion as the property of the people who would not understand science. But we do need science.

Take Austria, there has been a continuing drain of good young scientists. What we need is to focus on these establishments of nuclear research already existing and finance them in such a way that we can attract all the young scientists of Europe.

The French nuclear program is important with respect to a credible nuclear defense policy for Europe against the Russians.

No matter how much one might detest the ecologists, one must work with them. Their leaders are socialist, but the rest are good, sensible, if somewhat romantic. They have the right idea about nuclear power being dangerous.

Q: Would you comment on the European Monetary System? A: That and the earlier deal between Schmidt and Brezhnev are indeed dangerous because it weakened Europe's eastern flank. I've only heard of one good definition of detente which I read in the London Economist some weeks ago. Detente means the quickest, most dangerous transfer of technology to the Soviet Union enabling the Russians thereby to strengthen their efforts to destroy the West.

O: How would you deal with this weak flank of East Europe, like Romania and Yugoslavia?

A: You know Hungary and Romania are the only nations in the East bloc whose people are not slavs. An increased dialogue with these countries on all levels bypassing Moscow is necessary so that these nations can be cut away from the Russian sphere of influence altogether. Hungary also. It is the eastern European country closest to going the Romanian way.

Science is the driving force of the EMS

Why the British can't stop the new monetary system

In war, economic or fighting, soldiers learn to welcome the sound of big guns superseding the endless rounds of smaller arms fire. This week the big guns of the Europeans have sounded, the guns of science and technology.

The war analogy is not inappropriate. The French newspaper Les Echos produced a banner headline, "An Objective: to Adapt Research to the World Economic War," detailing the French Council of Ministers decision to centralize all research laboratories and establish close working ties with industry, togear up the nation for the European Monetary System (EMS) battle with Britain's International Monetary Fund (IMF).

Even more powerful is the publishing of Lionel Taccoen's new book for the French national electric company, EDF, titled, "La Guerre de l'energie"— the Energy War. In it, Taccoen makes the devastating argument that the extreme poverty of some Third World countries demands that they have large-scale nuclear exports from the advanced nations. If they regress to wood burning, Taccoen warns, their populations will perish.

Focussing on the European Community (EC) foreign ministers meeting Jan. 15, and the following EC Parliament meeting at Strasbourg, Jan. 17, French Foreign Minister Jean Francois-Poncet and West German Chancellor Helmut Schmidt have opened an unprecedented siege for the technological upgrading of the Third World through the development of the advanced sector. France and Germany are fulfilling the promises made at the historic meeting of Schmidt and French President Giscard d'Estaing at Aachen (Aix La Chapelle) last fall, as well as the \$100 billion economic program of Giscard's political party, the UDF.

At Strasbourg, Francois-Poncet told the European parliamentarians that "five years after the great trauma of 1973, the economic situation of the member states, (of the EC) is not, on the whole, satisfactory ... the first imperative for Europe, therefore, is to get out of the crisis. A durable solution to the problem of unemployment necessitates action to adapt the industrial structures to the conditions of the new world economic order." The new world economic order was declared the basis for Third World development at the meeting of the nonaligned heads of state in Colombo, Sri Lanka, in August 1976.

Francois-Poncet concluded that the presidency of the EC Council of Ministers will "notably commit itself to bring to fruition the discussions on energy savings and new energies." He also included "the efforts concerning the second four-year plan for energy research and development, as well as the program for research and teaching in the field of thermonuclear fusion, in which the hoped-for success of the Joint European

Torus can manifest in an overwhelming way the eminent place of Europe."

These policy commitments triggered more artillery barrages — especially in France. Vowing to "shake up" French industrialists, Francois Ceyrac, head of France's powerful employers confederation, Le Patronat, told his top ranking audience in Paris, "1979 is going to be the year of industry ... maybe a real new industrial revolution, which will have two poles: the industrial expansion of the Third World and the sophistication of technology in the advanced sector."

On the other side of the battle lines, British-sponsored "autonomist" terrorists blew up a power line from the Brennilis nuclear plant in Finistere, France, causing electrical shortages for one week.

Rebuffing the British

The present battle was begun by French Foreign Minister Francois-Poncet chairing his first meeting of the EC Foreign Ministers in Brussels on Jan. 15. Rebuffing British Foreign Minister David Owen, Francois-Poncet demanded to know what right the British had to intervene to the European agricultural question since they did not join the EMS. Poncet then said he would postpone the agricultural ministers meeting a week and combine it with a finance ministers meeting. As the British were about to veto this option, Poncet then declared that he had decided to postpone the agricultural ministers meeting even further.

Francois-Poncet asserted that he would preside over the reorganization of the Lomé Agreements (the EC subsidies to agricultural commodity producing nations) to be concluded by July, and admit Greece, Spain and Portugal to the community as rapidly as possible.

Reorganization of Lomé, at the minimum, threatens to reduce British political advantage from EC subsidies to West Indies sugar producers, and more likely to give broad but temporary price supports to a much enlarged group of Third World nations. This would wean them away from British run "Common Fund" proposals during the period of transition to large-scale development.

To emphasize that France will not tolerate British use of the continental peasantry against technological growth and industrial reorganization, a far-reaching agricultural reform bill will be introduced into the spring session of the parliament, according to press sources.

According to the plan, French agriculture will be transformed into a U.S.-style, highly mechanized agro-industry to enable the nation to export high value foods to the Third

World. It will form a national body of farmer organizations, agrobusiness representatives, wholesalers, and personnel from the finance, economics and agriculture ministeries to create what is described by one observer as a "national cooperative" to act for the country as local cooperatives benefit farmers.

In addition to high protein exports to the Third World, this sweeping reform will improve the diets of French workers as it transforms the peasantry into an industrial workforce.

As the Schmidt-Giscard technology-motivated economic assault broadens, one issue is becoming prominent: nuclear power. Sabotaged for at least half a decade by U.S. demands for nonproliferation guarantees and export curbs against its own nuclear producers, the question of nuclear power for the Third World was raised most trenchantly by Taccoen. He argued that only nuclear power development will save many areas of the world.

France has just concluded an agreement with the People's Republic of China for nuclear research, construction of an accelerator and consideration of the building of an Orpheus nuclear research center. Moreover, France's apparent determination to break the Anglo-American control of world uranium has led to strong efforts to stabilize the Zairean government, including a doubling of French economic assistance and a warm reception for Angolan Ambassador to France Luis de Almeida's request for heavy French participation in Angola's development requirements.

The Mexican government is currently studying the proposals made by E.P. Volchkov of the Soviet Technabexport to train Mexican technicians in Soviet nuclear power plants and provide technical assistance for the construction and operation of uranium enrichment facilities in Mexico. According to the Mexico City daily Uno Mas Uno, the Soviet offer is considered "exceptional" in comparison to offers made by Japan, Canada, and France.

The German-Arab connection

If these developments were not sufficient to profoundly dismay the "New Dark Ages" advocates, the successful talks concluded between West German Undersecretary of State, Rainer Offergeld and Deutsche Bank chief Thierbach with Saudi officials in Rivad were. Thierbach announced "great prospects" for West German investment in Saudi Arabia, praised the political stability of the government and announced close cooperation to fight world inflation between the two countries. The investment packages will be concluded at top-level meetings in Bonn on Jan. 19-20 and again on Feb. 1-2 with the initiation of a German-Saudi Capital and Investment Commission.

Yet it is not the economic packages or even the institution of the EMS itself that will insure the success of the EMS. Clearly, continental European leaders are viewing such mechanisms as predicates in the technology-led new world economic order.

Unquestionably the British and their American agents might destabilize the Italian government, perhaps even succeed in pulling off a military coup in Iran to manipulate world oil prices against industry and make the Lomé reorganization rocky. But a high-technology development policy by the Schmidt-Giscard forces, if maintained and carried through, cannot be defeated by the forces of the New Dark Ages.

-Leif Johnson

North Sea speculation used to attack dollar

The City of London financial machine is presently feeding a massive speculative bubble in world oil markets driving prices to levels nearly \$3.00 a barrel over the price of oil produced by the Organization of Petroleum Exporting Countries (OPEC), even after the Jan. 1, OPEC price rise.

The pretext for the latest speculative binge follows the crisis in Iran which has beed down Iran's oilfields, cutting out between 5 and 6 million barrels a day (mbd) of total worlds production. As a result of tight markets arising from the drop in output the producers of North Sea crude are driving up the price to upwards of \$16.00 a barrel, setting a deadly trend in world markets. Some grades of North Africa oil are selling for as high as \$17.30 a barrel.

In addition, the talk of a new oil crisis is being used to cover for speculative attacks on the dollar, and to whip up broader anti-dollar market sentiment. The Dow Jones wire service claims that European authorities would like the dollar no stronger than 1.85 marks, because their oil bills are still denominated in dollars. The West German central bank contributed to the adverse climate Jan. 16 with a West Berlin speech by Bundesbank Vice-President Karl-Otto Poehl. Poehl's warnings that West Germany cannot sustain 1978's \$24 billion level of dollarsupport intervention produced a slight but distinct dollar weakening not reversed by later Bundesbank assurances that it will continue to intervene.

Ironically, the U.S. press which headlined stories of doom and gloom about the economic effects of the last OPEC price rise in December have barely uttered a word about the current price rises due to Britain's machinations. In fact, the decision of the last OPEC meeting to implement a price rise in small increments was designed to halt the sort of oil speculation that is presently taking place. Numerous sources noted at the time that Royal Dutch Shell and British Petroleum would be hard hit by the new pricing initiative, since they are both notorious for buying up inventories of OPEC crude prior to price setting meetings as a hedge on price rises.

Now it is both BP and Shell that are making a speculative killing on North Sea oil — of which they control nearly half of the 1.5 mbd output. But other multinational companies, particularly those which are crude short (having a small access to the wellhead) and act as middlemen in marketing crude, are joining the bandwagon in speculatively driving the price of oil through the ceiling.

Saudi Intervention

Saudi Arabian Oil Minister Zaki Yamani has called a meeting of four non-OPEC oil producers — Canada, Mexico, Norway, and the U.K. — to discuss the current market situation next month. In particular, the Saudis have impressed upon the government of Great Britain that it should impose a price ceiling on North Sea oil in an effort to stem the speculative tide. In the long

term, the price of crude oil on the spot (open) market will determine future pricing arrangements for large contracts.

A New York source stated that the Saudis are extremely anxious about the current pricing situation. When the higher prices reach the gas stations in the consuming nations, "then the press points an accusing finger at the greedy Saudis; that is why the Saudis and other OPEC producers have been so insistent upon trying to monitor and discipline world oil markets." As the coverage of the last OPEC meeting revealed, the leading press in the U.S., like The New York Times and the Washington Post, will jump at the chance to attack OPEC, reflecting the strong Zionist lobby influence on this press.

Numerous informed sources agree that if the Iranian crisis persists and Iran's oilfields remain dormant, then shortages could occur in areas particularly dependent upon Iran, such as Europe and Japan. But more importantly the artificially inflated price will have a detrimental effect on the world economy and the dollar. "All it would take is for just one U.S. company to walk into the White House and state it either does not have oil to produce gasoline or that it will not pay the price of imported crude to refine gasoline and I can assure you we will have a crisis," warned one concerned source.

Late last year U.S -based Shell, in fact, announced that it was closing down a refinery due to shortages of crude — triggering a brief miniscare which U.S. Energy Secretary James Schlesinger dramatized. Shell is 70 percent owned by Holland's British-allied Royal Dutch Shell.

Schlesinger, after being forced two weeks ago to admit that the Iranian situation did not constitute an immediate oil-supply crisis, bounced back at Senate Energy Committee hearings Jan. 17. In a fit of amnesia about the fact that Iran provides less than 5 percent of U.S. oil imports, he asserted that the country is indeed vulnerable to an Iranian cutoff and if the flow is disrupted until summer "serious consequences" will ensue.

Beyond endorsing higher natural gas consumption, Schlesinger took the occasion to push for government subsidies to relatively expensive and inefficient oil-shale extraction. Above all, he pumped for Ted Kennedy's approach to busting OPEC: encourage "proliferation" of oil production in non-OPEC countries, a plan the World Bank is beginning to fund heavily in Egypt, Pakistan, and elsewhere. Schlesinger added that this should not be done through the oil majors, of whom "developing countries are suspicious."

The London-based Petroleum Intelligence Weekly is also fueling the prospects of dollar and energy crises, playing up the "panic" in oil company board rooms over the current pricing bubble. Under these circumstances says Petroleum Intelligence Weekly, the pricing hawks have squared off against the pricing doves within the international oil industry over whether to make a short term killing off Britain's speculative binge or whether to restrain themselves for the sake of the world economy.

- Judith Wyer

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Soviets explain why SALT must work

Exclusive: Novosti blasts Britain for war confrontation

Last week Soviet President Brezhnev warned that if the current international situation continued to go without a SALT agreement, it would be "worse than a return to the Cold War."

This week, the official Soviet foreign news agency Novosti, has released three articles exclusively to this news service which elaborate the urgency of President Brezhnev's commitment to SALT. As described below in Novosti's review of the Guadeloupe meeting, the Soviets are clearly aware that SALT is most threatened by the proponents in the Carter Administration of the doctrine of "limited nuclear war."

In the Novosti commentary on the newly-released Winston Churchill documents — in which it is revealed that Churchill advocated a preemptive nuclear strike against the Soviets following World War II — the Soviets make clear for the first time that they recognize that the inspiration for nuclear war confrontations and the Cold War emanates from Britain. How do the Soviets view British responsibility for disruption of East-West relations at key points in the post-war years? This is described below in "Macabre Documents." "I hope very much ... that these papers ... (will be known) to wide circles in England and in other Western countries ... soon," writes author J. Korshin.

The West at the crossroads

... The participants at the Guadeloupe meeting were not mistaken when in their evaluation of the Soviet Union's attitude they proceeded on the assumption that our country is ready to do everything necessary so that the SALT II agreement, after it is signed, will have maximum success in achieving military detente. Similarly, it would be fair to expect from the West a full account of the following considerations, which are extremely important for the agreement's success.

First, the USA and the West need the agreement on a limiting of strategic arms just as much as the Soviet Union and its allies do. Second, this agreement, which has been planned as an understanding on curtailing armaments, should work in precisely this direction, and not as a pretext for the development of new, even more sophisticated weapons systems — as

has been hinted by some highly-placed person in the Pentagon, at the Capitol, and in NATO. Third, any temptation on NATO's part to secure socalled compensations in the forward theater — whether it be through the proliferation of neutron weapons, including cruise missiles, etc. — will only rebound to the advantage of the proponents of socalled limited nuclear warfare. The danger of an outbreak of such a war is increased by the blatantly provocatory character of this doctrine.

Put another way, it is vitally important that the future SALT III negotiations are steered in a direction which guarantees that they do not serve to entrench this suicidal strategy, but on the contrary promote the qualitative reduction of the danger of a nuclear war and at the same time open up the possibility of successful negotiations in Vienna on the limitation of troops and conventional arms in Central Europe.

Iran and other "hot spots"

Should the "united Western strategy" agreed upon in Guadeloupe turn into an escalation of the North Atlantic bloc countries' intervention in the spirit of an imperialist "police action," then this will be a mistake comparable in its magnitude and consequences to the USA's blunder in Indochina in 1964, which led to the "dirty war" in Vietnam and to its ignominious fiasco. The present dramatic turn of events in Iran illustrates how the "politics of strength" produces results contrary to their intention. For 25 years — ever since the CIA conspiracy and the toppling of Mossadegh's national government — the USA has pumped dollars and arms into this country and has monopolized all channels through which the shaping of its domestic and foreign policy could be influenced, in order to turn Iran into a model Western "client" and "deputy sheriff" for the protection of the oil interests. And now this entire edifice, supported on its numerous pillars, is collapsing before the eyes of the whole world.

Any attempt to justify the West's new intervention by citing stories of "Moscow's hand" in Iran would not be simply a triumph of lies over the truth. People in Washington, London, Paris, and Bonn should really be clear — even if they are still unable to tell the truth at least to themselves — that the Soviet Union's motives and intentions proceed solely from its concern that the people of Iran should decide their own destiny and that, in the future, nothing will prevent it from not only maintaining good neighborly relations with Iran, but also improving these relations. The Western powers, should they decide upon a new show of force, would therefore bear the entire responsibility for the creation of a new crisis spot.

China and detente.

Those participants in the Guadeloupe meeting who warned their colleagues against going too far in playing the socalled China card cannot be faulted for a lack of perceptiveness. But if one can believe the reports in the London press, Prime Minister Callaghan has announced his sale of Harrier aircraft to China, which leads one to conclude that the British are in great haste to part with their major asset which has sustained them in the past, namely from their sense of reality. I believe that not only London, but also in Washington, Paris and Bonn people are excellently informed on the Soviet Union's standpoint: Those who arm China are endangering detente overall.

The logic of the Soviet warning is indisputable. The West wants to firm up the military potential of a country whose doctrine is founded on the "unavoidability of a new war" and the preparation for this war. At the same time, not one responsible Western politician — as was demonstrated especially at the Guadeloupe meeting — speaks about the necessity of drawing Peking towards detente, toward nuclear disarmament and toward solving international disputes. Might this not be because they know that such an attempt would be in vain? But when one considers that Peking is playing its own game, it seems particularly unintelligent to create a new area of tension and a generator for the arms race — and to do so with the sole purpose of pursuing the politics of strength against the Soviet Union, the entire socialist world, as well as the national liberation movements in Africa, Asia and Latin America.

"Games" such as these are particularly dangerous at a time when the world, as Leonid Brezhnev has said, is still at a crossroads which will lead either to the growth of trust and cooperation, or to the growth of mutual terror and suspicion and the accumulation of weapons — a crossroads ultimately leading either to a lasting peace, or at best, to teetering on the abyss of war. The Soviet Union's appeal to follow the former course remains in force.

Spartak Beglov, Novosti commentator

SALT II is important for everyone

The Soviet Union and the United States, in their negotiations over the second phase of the limitation of strategic armaments, are at present closer to their goal than they have ever been since the Vladivostock understanding of 1974. This understanding paved the way for a new agreement, since it laid down as the major measuring rod of any future agreement the mutually acceptable balance of the interests of both powers.

Nevertheless, in the subsequent period certain circles in the USA succeeded in making the negotiations more difficult. New obstacles kept on turning up, which then had to be overcome. The Soviet Union was ready to make a new agreement immediately after the Vladivostock understanding. In the following period as well, the Soviet side, which resolutely represented a constructive standpoint, announced its continual readiness to conclude the SALT II agreement.

This realistic approach on the USSR's part had great importance in the progress achieved at the negotiations held in Geneva. As a result, the negotiations over the conclusion of the SALT II agreement have proceeded with particular intensity over the past year. Thus, in the course of the year the USSR's Foreign Minister, Andrei Gromyko, met six times with his American colleague Cyrus Vance — an unprecedented record in the post-war history of Soviet-American relations.

The last in this series of meetings has just recently ended. After concrete and detailed discussions, the remaining differences on a number of important questions were cleared away or else substantially narrowed. The Soviet and the American sides announced their readiness to solve the still unresolved questions through normal diplomatic channels or else in the context of the Geneva negotiations. "The differences over the SALT agreement," President Carter said on Christmas Day, "have been overcome to a considerable extent. I believe that the prospects are good for a meeting between President Brezhnev and myself, more or less in the near future." It has thus become possible that in 1979 an agreement will be con-

cluded which will be enormously important for ensuring security in the entire world, and especially in Europe.

For Europe, this agreement will in fact be especially significant for a number of reasons. Firstly, its conclusion will be a proof that detente is bearing tangible fruits. Detente originally began and developed in Europe, and Europe also depends more on ensured detente than any other part of the earth. It is indicative that even the annual conference of the North Atlantic Assembly, held in Lisbon at the end of November and the beginning of December, adopted in their plenary session a resolution to support the current draft of the SALT II agreement.

Secondly, the conclusion of such an agreement would effect a certain reduction of the arms race and of the military confrontation between the two world powers as well as between the two military pacts — an especially important development for continuing to ensure European security.

Thirdly, the SALT II agreement would demonstrate that both powers have attained a degree of mutual trust such that one can already speak of joint steps towards limiting the arms race. Highlighting this trust would contribute to progress at other important negotiations in which Europe is directly involved, namely at the negotiations on the reduction of troops and conventional armaments in Central Europe.

Moreover, the agreement on strategic arms limitation would reach far beyond the framework of both powers' self-interests. After its conclusion there are plans for a still more radical limitation of strategic arms. We only stand to gain from the resulting curtailment of the arms race and the ensuring of peace and security in the whole world.

-Dmitri Ardamatski, Novosti Commentator

'Macabre documents'

It is said that Englishmen have good nerves and would react calmly to even the most extraordinary events. This is just how many of them seem to have received news of the contents of the secret British government documents just released to the public after the expiration of their 30-year term of secrecy. It's hard to say whether the most important of these papers are known to wide circles in England and in other Western countries. I hope very much, however, that this will happen soon.

One particularly interesting paper from the Foreign Office contains statements made by the former leader of the Conservative opposition, Winston Churchill, in April 1948. Only three years after the Second World War, which cost 50 million people their lives and left many millions crippled, orphaned and homeless, this politician called upon the governments of the USA and England to wage nuclear war against the Soviet Union. His special motivation was his assertion that the Russians did not yet possess any nuclear weapons.

Thirty years earlier Churchill had demanded, in his capacity as British Minister of War, that the state just born in Russia

following the October Revolution should be obliterated through military intervention — "The baby must be strangled in its cradle." He made a great personal contribution to the "crusade" of the imperialist states against the young Soviet Republic. During the last weeks of the Second World War and immediately following the capitulation of Hitler's Reich, Churchill harbored the intention of terminating his coalition with the Russians and, with the aid of captured German Wehrmacht soldiers, throwing his forces back toward the East. On Churchill's orders, divisions and regiments of Hitler's Wehrmacht in the British occupation zone were not dissolved, and captured weapons were stockpiled at depots not far away from prisoner-of-war camps.

This British politician's transformation into a herald of the offensive nuclear war therefore has its own inner logic and consequence. But it is not enough to say only that.

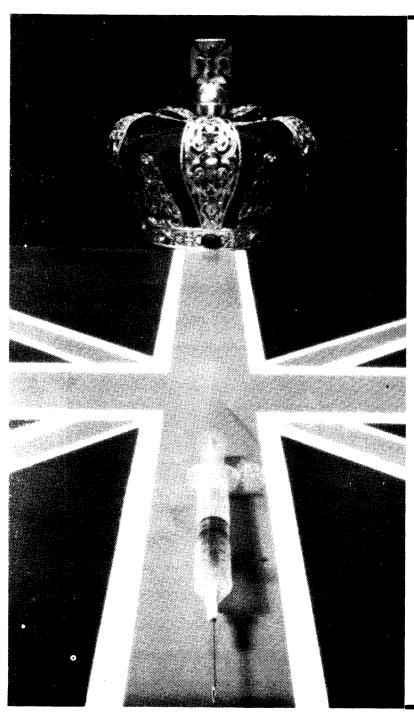
Churchill's appeal began circulating at a time when President Truman's government in the USA, Clement Atlee's British government, and even the French leadership had brusquely broken off their cooperation with the USSR in shaping the postwar environment in Europe and in other regions of the world, and had instead set off on a course toward cold war against their ally, which only shortly before had had to bear the major burden of the successful war effort. This was a course toward torpedoing and sabotaging the treaties made in Teheran, Yalta, and Potsdam by the powers of the anti-Hitler coalition. This shift coincided in time with the three Western powers' measures to complete the division of Germany and of Berlin, as well as with the formation of the North Atlantic bloc which was directed against the USSR and the people's democratic countries.

Fortunately, Churchill's demand did not turn into a government decision. The leading Western statesmen were still perceptive enough to comprehend the consequences of a nuclear adventure. But the anti-Soviet hysteria fed by Churchill and his ilk contributed to creating in the West a climate in which the political decisions made repeatedly brought the world to the very brink of the Third World War and led to the emergence of acute crisis areas. The total Cold War declared by the West against the Soviet Union, as well as the attempts to intimidate Communism by the "politics of strength," resulted in an arms race unparalleled in magnitude (including in the area of the especially dangerous nuclear weapons), and prevented a reasonable solution of the Germany question—a definite possibility until the formation and acceptance of the Federal Republic and the DDR into opposed military-political groupings.

Gigantic material and mental resources were required to produce the mountains of weapons and war material, and these resources were therefore uselessly wasted while a significant portion of humanity suffered from undernourishment, disease and backwardness.

"You should only speak well of the dead." I believe that this time around, humanity's conscience and its right to a peaceful existence demand that we do not keep to this saying, and that we objectively judge the monstrous plans of this British politician.

— J. Korshin, Novosti Press Agency



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Countdown on U.S.'s Mexico

Industrial development the issue on the eve of Carter's visit

On Feb. 14, President Carter will make an official state visit to Mexico, a nation which has recently broken into the "big leagues" of oil production and possesses some of the biggest oil reserves in the world. All indications are that he will take with him a strategy for U.S.-Mexico relations which betokens one of the biggest foreign policy disasters of his administration.

While the Mexican government has repeatedly vowed that Mexico's expanding oil production is slated to underwrite Mexico's industrialization, the President's approach will amount to a blackmail scheme to secure Mexican oil for the U.S. while leaving that country in a state of maximum backwardness. (See EIR Vol. V. No. 50).

Most shameful, the Administration policy does not reflect any perception of U.S. long-term interests, but is being dictated in London, where efforts to prevent U.S.-Mexican relations based on mutual industrial development has been a historic preoccupation. Prognosticated the London Economist recently: Mexico's surging population represents "an almost impossible horde for Mexico's ruling establishment to control...most probably, within the next decade Mexico will have to become the United States' most pressing and intractable problem of foreign policy..."

But a series of executive seminars in the U.S. sponsored by this publication and covered as front page banner-headlined news in the Mexico City press, have introduced a vital new element into the heated question of U.S. policy toward Mexico.

On the eve of the first of the EIR seminars on "Doing Business in 1979: The European Monetary System and Mexican Oil" in New York last week, the semiofficial Mexican daily El Nacional published an extensive interview with Executive Intelligence Review Editor-in-Chief Fernando Quijano. Quijano stressed that during President Carter's Feb. 14 visit to Mexico, the U.S. must declare itself openly and unequivocably Mexico's partner in the massive industrialization projects now being drafted by the government of President Jose Lopez Portillo. This "oil-for-technology" framework will place America in line with its French, West German and Japanese allies, stated Quijano, and launch a powerful "success story" in North-South relations with the widest implications for worldwide economic development.

Five days after the New York conference, the Mexican daily El

Diario de Mexico published an even more extensive interview with the EIR editor, under a front page banner headline.

Knowledgeable observers view this prominent coverage as another in a series of important signals from Mexico to Washington indicating what U.S. policy approaches will — and will not — be welcome when Carter arrives in Mexico for some of the most important talks of his presidency.

Press blitz

The natural reaction of the U.S. population, as big press stories throughout last year brought news of Mexico's oil boom, is that there couldn't be better news for U.S.-Mexico relations. "We'll get some more oil, Mexico will develop its economy." It has taken a media blitz of extraordinary proportions over the past months, sponsored by the forces behind the Presidential Review Memorandum 41, the Administration policy document on Mexico, to sow the notion that Mexico's oil boom really brings more problems than benefits, and to present to Mexico only "hard line" and "soft line" choices for giving up their oil without industrial development. To date, the operation has been unfolding as follows:

"Oil for illegal aliens." The U.S. may have to make "concessions," states the PRM-41, in such areas as trade and immigration policy in order to induce Mexico to subsume its energy policy to U.S. needs.

Such "concessions" are pure blackmail. The PRM propagandists do not themselves call for closing the U.S.-Mexico border in order to stop Mexico labor seeking jobs; they slyly point to "others" who do, to portray their own oil grab "without totally sealing the border" as the "liberal alternative."

This "Mutt and Jeff" act was orchestrated with particular intensity just before Christmas. The House Select Committee on Population, chaired by Rep. James Scheuer (D-NY) proposed a six-point package of immigration crackdown measures, introduced with the battle-cry: "It would seem unthinkable for us not to make an intense, high-priority and well-funded effort to secure our border." Scheuer, concerned that even this formulation was not strong enough, wrote a separate cover letter urging the "firm, hard sealing of the border."

policy

The Washington Post, which had been chosen by Brzezinski as his preference for leaking the PRM-41, immediately issued a ringing editorial. "We cannot agree" with Mr. Scheuer, said the Post, though the committee's recommendations are "unquestionably the lines that future policy must explore." Room must be kept open, intoned the Post, for the PRM-41 to "nail down future supplies from Mexico's newly and highly touted oil reserves."

The Rand Corporation, a California think-tank notorious for "limited" nuclear war scenarios and profiles of regional conflicts in the Third World, summed up their version of the "oil for aliens" threat in a recently released study which influenced the PRM formulation: "If interdependence means that Mexican workers have access to the labor markets of the U.S., by the same token, it means U.S. consumers have access to Mexico's oil and gas production."

The great gas debate. Schlesinger, with Carter in tow, is now saying that there is pressing need to conclude a gas deal with Mexico that he first derailed a year ago. "Long-term" Mexican oil and gas will be key, he says, but there is no hurry. Brzezinski and Kennedy, however, are up in arms: the gas deal must be concluded as a first order of business, and on Mexico's terms if necessary, in order to certify that relations are "improving" and clear the decks for further oil grab maneuvers.

When Schlesinger repeated his position in comments to New York analysts Jan. 9, the Washington Post castigated his "highly visible remarks ... (which) are bound to complicate Carter's meetings with Lopez Portillo." The paper hurried to add, "senior administration officials" — widely taken to be a reference to Brzezinski — "were careful to say that Schlesinger's statements did not reflect Carter's position."

Kennedy in a speech in Boston the same day, slammed Schlesinger's stance.

A debate on policy toward Mexico? All sides are intent on harnessing Mexico to U.S. energy policy as tightly as possible to draw Mexico out of any possible link-up with the European Monetary Fund. Kennedy's euphemism for U.S. control is a "continentwide gas market" involving the U.S., Mexico and Canada. Schlesinger's strategy is built on a synonymous concept of a "hemisphere-oriented energy policy." Brzezinski's PRM-14 rhetoric is

'Well-informed testimony'

The following lead editorial appeared in the afternoon edition of Diario de Mexico on Jan. 15, commenting on their extensive interview with Fernando Quijano, Editorin-Chief of the Executive Intelligence Review. The widely read paper, Mexico City's oldest, and a long-time supporter of Mexican government policy, carried the piece under the title "Hard Line."

In an exclusive interview with our reporter Arturo R. Blancas, a top official of the respected New York financial publication the Executive Intelligence Review, offered concepts which without doubt throw considerable light on the present conjuncture between the United States and Mexico. On the basis of firsthand information he possesses, Fernando Quijano argues that the rise of Mexico cannot be held back and will take place no matter what the United States says or does and even against the will of the U.S.

Quijano sees with great clarity the possibility that Washington will even try to exert a hard line, which consists of employing all the power of past epochs in order to prevent "Mexico from becoming a second Japan just south of the border." It's as much as saying that by no means will massive industrialization of our country be permitted, because if that happened, Mexico would lose its status as a raw material supplier and would cease being an "emerging country," as Energy Secretary lames Schlesinger contemptuously categorizes us. The testimony of Quijano is quite valid and especially wellinformed and it aids us citizens in reaching a sound Judgment on the situation and in knowing how to take a dignified nationalist position which provides the government with a base of support during its negotiations with the representative of the Empire (a reference to President Carter's Feb. 14 trip to Mexico - ed.).

the same: a "North American community including Canada ... would imply increased Mexican energy production."

The Iran scenario, U.S. readers have been deluged with warnings that "Mexico could be another Iran" if it does not choke off its industrialization and oil expansion programs in order to avoid "runaway inflation" and a "social explosion" (see below). Kennedy, who uses World Bank rhetoric to phrase his opposition to big industrial development in Mexico and other Third World areas, and Brzezinski, who frequently states he will not tolerate another Japan south of the border," agree fully that Mexico's industrialization plans must be sabotaged.

The "another Iran" scenario is their blatant warning of what will be unleashed if Mexico does not cooperate with the "limit on development" theme.

Maryland Sen. Charles Mathias promoted the "alternative"

policy initiative favored by Kennedy and Brzezinski in a Washington Post op-ed Jan. 15. The U.S. should force Mexico to adopt "large-scale labor intensive development programs in Mexico's rural areas." He then added a scarcely veiled borderclosing threat: "Legislation, not reinforced by strong and effective programs to provide relief for persons who may be returned across the border, will create a grave threat to the stability of Mexico."

What Mexico is saying

Business Week, in a mid-January cover story on Mexican oil, succinctly endorsed the essence of the false dichotomy now being presented to U.S. business factions to break interest in partnering Mexico's ambitious profitable development plans. We face a conflict, the weekly lies, between "U.S. interest in getting more Mexican oil" and an "even greater stake in Mexico's long-term stability," i.e., that large-scale growth and stability are irrecon-

But the Mexican government is ready to push oil development just as rapidly as it can arrange solid domestic development projects to absorb the growing revenues. In a press conference Jan. 4, President Lopez Portillo insisted that oil revenues will be pegged to what the country can "digest."

Far from posing a necessary limit to Mexico's oil expansion, as the New York Times and London's Financial Times wilfully misreported it, the Mexican president was posing a fundamental challenge to Mexico's potential foreign partners: 'can you provide the reliable and massive back-up which our development requires? Help us in bigger development deals, and we'll pump

As Executive Intelligence Review editor Quijano told his New York EIR seminar audience Jan. 11, "Those who start with the question, 'how do we get Mexico's oil,' are precisely not going to get the oil. Those who start with a vision of what joint collaboration in development will mean — not just for Mexico but for the Third World as a whole — will find the oil is part of the deal."

-Tim Rush

Who's saying: 'Mexico could be another Iran'?

The story that Mexico must cut back on its oil-financed growth "to avoid the fate of Iran" is an intelligence print-out — and threat — from "New Dark Ages," anti-industrial factions in Britain and the U.S. The major press conduits with this line follow:

"If the revolutionary unrest that's shaking Iran is not disturbing the sleep of Mexico's ruling establishment — and of policymakers in the United States, for that matter — it ought to be.

"The situations in Mexico and Iran obviously are not identical. . . . You don't have to be an expert, however, to figure out that sudden oil wealth could trigger the same kind of revolutionary ferment in Mexico that is now visible in Iran....

Considering the apparently huge size of Mexico's oil wealth, the country should have a bright future in the long run. But in the years just ahead the ruling establishment may be sitting on a time bomb very much like that which has exploded under the Shah of Iran.'

Ernest Conine, New York Post, Dec. 21, 1978

"Will the new-found wealth cause instability among Mexico's 60 million population, as it has in Iran?"

- London Economist, Dec. 30, 1978

"(President Lopez Portillo's statement Jan. 4) reflects Mexico's deep awareness of the financial, economic and even political problems suffered by some major oil producers such as Iran, whose current turmoil stems in part from an inflation built by a rapid expansion of revenue."

New York Times correspondent Alan Riding, Jan. 5, 1979

"The push-pull factors of social challenge and economic opportunity that could turn Mexico's oil boom into a dangerous explosion are already being felt . . . The threat is this: if Mexico does not keep tight control both of what it earns and spends, it could blow the whole thing. . . . When will the time bomb explode?... The lesson of Iran, which went so far with its modernization that it alienated a traditionalist society, is all too current."

— Gilbert Lewthwaite, Baltimore Sun, page 1, Jan. 14, 1979

"The unheaval in Iran . . . has given warning of the social and political risks that Mexicans will run if they mismanage their oil windfall."

- Business Week, Jan. 15, 1979

EIR Editor on **U.S.-Mexico** relations

Fernando Quijano Gaitan, Editor-in-Chief of the Executive Intelligence Review, was recently interviewed by two major Mexican daily newspapers on the issue of U.S.-Mexican relations. Both papers, Mexico City's Diario de Mexico, and the semiofficial government daily El Nacional, gave the lengthy interviews prominent coverage, featuring the importance of U.S.-Mexico relations based on the exchange of Mexico's energy resources for advanced technology from the U.S.

Just a month short of President Carter's state visit to Mexico, the article in El Nacional is viewed by observers as a possible indication that Mexican circles would look favorably on a U.S. negotiating position based on this perspective.

Diario de Mexico carried similar coverage of this perspective under a page one banner heading, "Rise of Our Country Inevitable, With or Without the USA.

Reproduced here are major portions of both articles, beginning with the Jan. 9 feature carried in El Nacional, entitled "The Energy Policy of Mexico, Basis for Achieving a New Economic Order: Quijano Gaitan."

Mexico's energy policy, which is oriented toward an exchange of oil for technology, together with the recently established European Monetary System, can become one of the most important pillars in the present world for achieving a new and more just economic order.

Given that Mexico is consolidating its oil industry and will shortly be a major producer and exporter, it is reasonable to expect the U.S. to respond to Mexico's position by establishing mutually beneficial relations in all areas.

Until now, the United States has lacked a clear consciousness of what a prosperous Mexico would mean, and of the enormous potential as a market for technology and scientific advances which Mexico would represent, as well as demonstrating what relations between North and South should be.

The above considerations summarize the fundamental thesis of seminars on "the European Monetary System" and "Mexican oil" that have been organized by the North American weekly journal Executive Intelligence Review and that will be presented to officials and businessmen on Jan. 4 in New York and on Jan. 31 in Washington, D.C.

Fernando Quijano Gaitan, Editor-in-Chief of the magazine which is distributed in the United States, Europe and Latin America — told El Nacional that "when we say that a prosperous Mexico would be a major market for technology,' we are basing ourselves on the fact that within the next 10 to 15 years, Mexico will have to produce and import capital goods and industrial equipment to the tune of \$80 billion in order to achieve its full industrial development.

'Before this," he emphasized, "oil will have to become Mexico's key pivot and a bargaining chip to be able to acquire the advanced technology needed."

U.S., Soviet experience

Quijano Gaitan indicated that experience has shown, both in the United States and in the Soviet Union, that oil has constituted the basis for industrialization of their economies, and that Mexico is conscious of this and thus is taking the necessary steps to achieve, in the shortest time possible, that objective which will place Mexico among the leading nations of the world.

Nevertheless, he believes that Mexico should gradually begin changing — and in this will be assisted by technology the energy source for their industrial operations.

He explained that at the present time both the North American as well as the Soviet economy face the dilemma of changing their energy sources to renewable ones.

The Soviet Union — he said — has decided in favor of a transformation on the basis of nuclear energy and thermonuclear fusion, while in the United States there is a major controversy over the matter.

But what is clear, he added, is that the majority of the Third World, Europe, and Japan agree that the option of the future is nuclear energy.

The Editor-in-Chief of the Executive Intelligence Review said that it is necessary for the industrialized countries to accept responsibility for providing — in a just manner — technology in exchange for the raw materials that they acquire from the Third World, so that the poor nations can begin developing their industrial capacity to enable them to satisfy the urgent needs of their populations.

"Only by resolving the North-South conflict in this way can we arrive at the 21st Century in peace and prosperity," declared Quijano Gaitan, noting that the European Monetary System seeks in the short term the stabilization of currencies to control inflation and expand commercial trade, and in the longer term has discussed becoming the mechanism for granting credits and technologies to Third World countries on much more favorable terms than presently exist."

Rise of our country inevitable ... We have all we need for development

Mexico can reach the highest levels of economic development, with or without the United States. Mexico can develop even if the United States opposes it because it has an ample infrastructure, a wide range of resources, available labor power, able political leaders who are fighting against disorganization and corruption — which are brakes on Mexican development — and also because it is today, like it has been for more than half a century, the most mature and politically stable nation in Latin America.

Such statements were deduced from concepts given in an exclusive interview to the Diario de Mexico by Quijano Gaitan, prominent economic and political analyst and president of the Editorial Board of the weekly Executive Intelligence Review, published in New York City.

Border fence reversed

Around 1990, the fences all along the Mexican-American frontier will be used to prevent U.S. citizens from crossing into our country to participate in the industrial boom and the prosperity which we will have here, and not like now to keep Mexicans from going to the U.S. to find work.

This contrast could come about as the result of the great oil wealth found under 80 percent of the Mexican territory and under the continental shelf in the Gulf of Mexico which is part of the patrimonial sea or maritime zone of economic influence which is controlled by our nation. International experts have estimated that Mexico has more than 350 billion barrels of oil.

The possession of that fabulous amount of non-renewable resources ... puts Mexico in a position to take "a great leap forward," because if Mexico manages its oil and gas rationally — diversifying markets and not depending on only one buyer — Mexico will have a rate of progress during the next few years unequalled in world history and perhaps never to be matched.

Fernando Quijano, the Yankee pontical editor is promoting two top-level seminars on Mexican oil for analysts, businessmen, and politicians in the U.S. ...

North American prejudices

We cite parts of the interview:

Blancas: In view of what's been published in the U.S. press about giving Mexico different treatment as a result of its great oil reserves, do you think there's been a change in the attitude of the North American government toward Mexico?

Quijano: The press of my country has related the existence of two supposedly different positions inside the North American government. One is the hard line, represented by Energy Secretary James Schlesinger, who thinks that Mexico is just one more emerging power which does not deserve special consideration or concessions. That's Schlesinger's position, which sabotaged the sale of Mexican gas to the United States. The other position, which they have tried to put across as the soft line and which certainly seems to be hegemonic in the Carter Administration, is Zbigniew Brzezinski's position. Carter's National Security Council claims that Mexico and its energy resources are strategically important to the United States. Therefore, U.S.-Mexican relations are a national priority for the United States. Thus, the majority of my country's press insinuates that Brzezinski would be willing to consider certain concessions. In my opinion — and that of everyone who is on top of the wheeling and dealing in Washington, there is no essential difference between the two positions, since both have the identical doctrine and identical intentions. Schlesinger fervently believes in Malthusianism, and you can see this in any of his books. For that reason, he opposes the industrial progress of Mexico and of the United States. That's why he sabotaged the purchase of Mexican gas. For his part, Brzezinski has said in private a number of times during the past two years that the United States will not tolerate another Japan on its southern

border. That is to say, they both share the doctrine that Mexico is not to industrialize. The only difference is over which tactics would be more effective to implement their doctrine.

North American common market

Blancas: The U.S. press has suggested that the new attitude of the U.S. towards Mexico could encourage the establishment of a community — or a common market — formed by Mexico, Canada, and the United States. What do you think of that? Quijano: Look, the idea of creating a North American common market is an old one, a proposal which always considers Mexico as a mere provider of raw materials. The U.S. tried to impose this policy on Mexico through the Bucareli Accords (of 1923 - ed.) which prohibited Mexico from exercising its technological and industrial self-determination. Then came the Clayton Plan, right after the Second World War, which also implied a North American association in which Mexico was to be an agricultural and mineral provider. Now, when Mexico is in condition to achieve its rapid industrialization, Brzezinski proposes the PRM-41 for the same purpose. . . .

What should U.S. policy toward Mexico be?

Blancas: Everything said today leads to the inevitable question: In your opinion, what should U.S. policy toward Mexico be? Quijano: U.S. foreign policy should follow the principles on which the nation was created. The Founding Fathers made a revolution to liberate themselves from English colonialism, which prevented the cultural and industrial development of my country. That means the U.S. should follow a policy of absolute respect for the sovereignty of other countries and favor the intentions of the Third World countries to industrialize.

The U.S. should guarantee and participate in a New International Economic Order. By acting that way we would help ourselves, since the New International Economic Order and the concommitant industrialization of the Third World implies tremendous exports from my country: nuclear plants, capital goods, and in general, all that could be considered a genuine transfer of technology.

I think it would be highly beneficial for my country to negotiate with Mexico in the terms proposed by President Jose Lopez Portillo. As he has said, it's not a question of simply solving problems of the moment or specific questions which are interesting in themselves. Rather, Lopez wants negotiations to set up a lasting relationship with our eyes on the 21st century, and that this should serve to catalyze a radical change in North-South relations. In a relation of this kind, the problems of migrant workers, bilateral trade, and the energy question cease to be bases for blackmail and become matters for friendly cooperation between two sovereign and equal countries. It's about time that my country returns to the principles of the American Revolution, which inspired all the revolutionaries of the continent in their fight against colonialism and for building their republics.

Arturo BlancasDiario de Mexico

EIR seminar: 'EMS is here to stay'

Mexico's oil and its relation to the new monetary system

United States cooperation with Mexico's ambitious plans for development through exploitation of its oil reserves is not a matter of concern simply for North Americans, was the perspective detailed at the Jan. 11 Executive Intelligence Review seminar in New York City, hosted by Editor-in-Chief Fernando Quijano.

Presentations at the meeting, which included businessmen and labor leaders, asserted that a turn in U.S. policy for Third World development is basic to a U.S. policy decision to collaborate with the European Monetary System established by West German Chancellor Schmidt and French President Giscard d'Estaing.

By working through the new system's credit facilities, the U.S. could realize its export potential, taking advantage of the increased markets Mexico's program for high-technology development would create. Quijano stressed the essential problem to be the North-South dialogue. That, Quijano said, can be worked out in context of U.S. collaboration with the EMS.

More than 40 representatives from corporations, labor unions, and foreign countries heard the seminar presentations, delivered by Quijano, contributing editor to the Executive Intelligence Review Criton Zoakos, and U.S. Labor Party Director of Research and Development Uwe Parpart. In his presentation, Quijano characterized the major U.S. foreign policy question as a battle between the looting policies of the International Monetary Fund — now slated for both the developed and developing sectors and the trade and growth perspective of the new European Monetary System. In Mexico, Quijano said, day-to-day political and economic policy decisions by the government are shaped by the necessity to circumvent the "austerity conditions" the IMF has tried to impose on the country. Quijano stressed that the success of Mexico's efforts hinges on the emergence of an "EMS world."

While much of the conference discussion centered on the significance of Mexico's recent oil finds, the conference also marked the first public discussion of a groundbreaking new program prepared by the U.S. Labor Party's Chairman, Lyndon H. LaRouche.

Speaking on "A Riemannian Model for Economic Growth," Uwe Parpart stressed that the program has the potential to eradicate the genocidal poverty of the Third World if the capacity to predict growth rates scientifically can be developed. Parpart's presentation followed the principles that the U.S. Labor Party's Lyndon H. LaRouche had first proposed for applying the theory embodied in the EMS to a scientific approach to economic planning as an alternative to the hodge-podge notion of Gross National Product (GNP). The speakers showed that the only competent means of predicting such growth rates is integrally connected to a global application of the EMS's development policies.

The conference also aimed at breaking the U.S. media's clampdown on the actual policies of the EMS. As Zoakos told a participant who challenged the EIR's "interpretation of the facts behind the EMS," the U.S. media has only addressed the system by heralding its alleged weaknesses and failures.

In contrast, Zoakos spelled out that once in full operation, the

new system will command no less than half a trillion dollars worth of development credits worldwide to achieve its purpose: "massive expansion of North-South and East-West trade," to prevent thermonuclear war.

"The EMS is here to stay," he stated, adding that the commitment of Schmidt and Giscard to its economic growth policies is "irreversible." Zoakos then depicted the political process which led Europe's key leaders to adopt the Grand Design of the new monetary program, emphasizing their growing perception at the close of the 1975 NATO-Hilex maneuvers that the outbreak of thermonuclear war was an imminent possibility. That perception was to sharpen into a sense of dire emergency in the first months of the Carter Administration in 1977. The process of launching the EMS, Zoakos explained, began when Schmidt signed a "groundbreaking treaty" with Soviet President Leonid Brezhnev in May 1978, which demonstrated Western Europe's commitment to peace by essentially "integrating West German industry into the Soviet Five Year Plan.'

But, Zoakos said, the EMS is clouded by the continuing influence of the IMF and the World Bank, the institutions which governed the now-defunct Bretton Woods system. The IMF, Zoakos stressed, is still able to abort the economic advancement programs of much of the Third World. He cited the threats against Mexico that it could undergo economic chaos and civil unrest like Iran, if it insists in pursuing its oil export expansion program as well as the present crisis in Turkey. There, Zoakos said, an open fight is raging between the demands of NATO and the IMF for austerity and the government's program of an EMS-financed \$8 billion development plan. This is a test case of the conflict between the bankrupt IMF and the new monetary system.

U.S. view

In addressing the audience, Editor-in-Chief Quijano developed what would be an acceptable U.S. policy toward Mexico. He pointed out that for the U.S. businessmen and labor representatives in the audience, the World Bank and IMF, even though their dominance is waning are preceived as the ruling institutions. Contrary to what the media has presented in the U.S., the audience's counterparts in Europe and Mexico are much better apprised of the actual dimensions of the economic battle. Ouijano said.

How to understand economic growth

Quijano emphasized that while most observers were concerned with Mexico's plans for its oil, Mexico's most valuable resource is its population. The Mexican population has a higher proportion of youth than does the U.S. which can be educated to become the advanced labor force.

The significance of Quijano's emphasis on the issue of population growth became clear in Parpart's address on the proposed Riemannian alternative to the GNP concept of economic growth. Parpart showed in simple statistical form that the prevailing model of Gross National Product, particularly that used in the

U. S. is based on a 40 percent component which is sheer monetary valuation (defense and services). While accounting for socially necessary activities, this 40 percent functions "as a tax burden" on the industrial and agricultural output that is the base of real economic activity.

More problematic, he pointed out, is that any "linear" (or accountant-method) view of the economy over time cannot account for crucial phenomena which have the effect of creating major social and economic problems. The two chief phenomena he addressed were (1) the increasing cost of producing the same raw materials over time, and (2) the related burden of indebtedness accruing to an economy when investment is stubbornly poured into the same levels of technology, based on the same raw materials.

The solution he proposed was that the extent to which we are capable of planning "scientific breakthroughs and to realizing those breakthroughs in the advancement of labor" be pinpointed as "the principal determining feature" in elaborating a method for measuring economic growth. He used an engineering problem in agriculture to show how simple increase in the amount of fertilizer on a farm shows "diminishing returns" in growth of agricultural output.

Behind the surprising Iraq-Syria unification

Suddenly, Syria and Iraq are uniting formally into a single state. The two countries — and a bitterly divided Ba' ath Party that rules in each — have been at each others' throats for years. Pushed by Franco-Soviets efforts to stabilize the Mideast since the Camp David "separate peace" fiasco, the Syrians are also hosting a conference of the Palestinian National Council to discuss setting up a Palestine government-in-exile, effectively run by the PLO (Palestine Liberation Organization).

The unification will have historic significance whatever happens. The Franco-Soviet faction is pushing a Geneva Conference overall settlement in the Mideast, but a faction underwritten by London policymakers is hyping the unification instead to run a holy war against Israel and push the Mideast back into the cauldron from which it is trying to climb.

As the Arabworld reaches a new level of organization and integration based upon the French-Soviet concepts of mutual economic development, Israel has not surprisingly launched a series of provocations within Lebanon in order to attempt to factionalize the Arab world into warring hardline and moderate

groupings. Last week, heavy fighting took place in southern Lebanon between Israeli-supported Christian militias and UN peacekeeping forces. In addition, Israeli gunboats violated Lebanese territory by shelling southern Lebanese coastline positions, spuriously designated as "Palestinian bases."

Syria-Iraq rapprochement

"Syria and Iraq have reached agreement on all issues concerning the projected union between the two countries," said an official source in Damascus on Monday, Jan. 15.

According to Agence France Presse, "the two Iraqi ministers will focus on the finalization of various accords dealing with the unification of both the Syrian and Iraqi armies and the Ba'ath Party of each country." The meeting will also prepare for the Jan. 26 Damascus summit to be attended by Syrian President Hafez Assad and Hassan al Bakr. The Assad-al Bakr summit was preceded by an important visit of Syrian Defense Minister Mustapha Tlas to Moscow to discuss the integration of the two countries. In addition, a Soviet Communist Party delegation has arrived in Damascus to attend the talks.

Economic breakthrough

According to the Jan. 16 Toronto Globe and Mail, the key issue at hand during the talks was the question of mutual economic development. Already on the drawing board is a plan to pump Iraqi oil directly to the Mediterranean via Syria. In addition, Iraq will now provide Syria with oil for its own internal consumption.

One Lebanese daily last week quoted a Syrian official as saying that both countries would soon have "one flag, one president, and one national anthem." But a high-level Syrian diplomat stressed in response that unification can work only if it is approached with a careful strategy of economic development. He said that the union must not focus too heavily on the military question as this will tend to envenom the already dangerous Mideast situation.

The importance of the economic discussions even drew Jordan's King Hussein to Damascus for a surprise visit. According to informed sources, Hussein wanted to discuss the integration of his country into the economic deals.

On Jan. 15, the 14th Palestinian National Council (PNC) meeting met in Damascus as well. Composed of 293 members, it is believed that the main question on the agenda will be the question of a Palestinian government in exile. Although there is an increasing show of unity within the movement, problems still remain within the hardline faction led by George Habash's supporters.

The Palestinian question remains one of the key elements of the Syria-Iraq unification as well. Both PLO head Arafat and Jordan's Hussein have been brought into the high-level talks to share common strategy.

- Mary Jane Coates

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