

for the U.S. to adopt a "new Monroe Doctrine" for south of the border.

Richard Whalen, an advisor to President Nixon. Whalen also spent time at CSIS. As a former editor of *Fortune*, Whalen worked with *Time-Life* Chairman Hedley Donovan, the Trilateralist who now functions as senior adviser to Jimmy Carter.

Robert Strausz-Hupe, a leading advocate of supranational institutions and regional blocs. Now based at the University of Pennsylvania's Foreign Policy Research Institute, Strausz-Hupe is a former Ambassador to NATO. He has spent the last six months in Munich, according to informed sources, helping coordinate Franz-Joseph Strauss's electoral challenge to Chancellor Schmidt.

William Pillsbury, a Rand analyst, Pillsbury advocates a close military alliance between the U.S. and China.

Richard Pfalzgraf, heads the FPRI (Foreign Policy Research Institute). When Alexander Haig retired from NATO to launch his unofficial presidential campaign, Pfalzgraf offered him a base of operations at the institute.

Despite Reagan's strident anticommunism, it is clear from interviews with these advisers that the candidate is being used not so much as a hard-line against the Soviets but as a mouthpiece for the Anglo-American establishment's chief target at this point: the European Monetary System, the institution established by West German Chancellor Helmut Schmidt and French President Giscard d'Estaing to rescue the U.S. dollar and foster global trade and economic development.

Evidence for this is abundant. Several of Reagan's key advisers are closely implicated in the current operations to replace Schmidt with the Jesuit-trained Franz Josef Strauss in October's West German elections. Reagan advisers met in closed-door strategy sessions with Strauss when he was in Washington earlier this month. Robert Strausz-Hupe reportedly set up a recent meeting between Reagan and Strauss.

Reagan insiders are also part of the effort to orchestrate an international mobilization by the Jewish community against Giscard.

Moreover, Reagan's proposal for a North American Accord to unite the energy and possibly military resources of Mexico, the U.S. and Canada parallels the moves to create a "Europe of the regions"—"i.e., destroying the existing nation-states and replacing them with fragmented, powerless ethnic and linguistic communities—pushed by the same oligarchical Otto von Hapsburg networks behind Strauss.

This geopolitical foreign policy perspective has a domestic economic parallel in Reagan's anti-big government rhetoric, his emphasis on simple tax cuts, deregulation and limits on federal spending. This antidirigist thrust is coherent with an anti-EMS position. In actuality, Reagan's conservative shibboleths come straight from economist Milton Friedman, an open admirer of the decidedly coercive economic measures imposed on Germany, with known results, by Nazi Finance Minister Hjalmar Schacht. Friedman is also an advocate of the racist genetic doctrines of William Shockley—a fact which doesn't phase Reagan's Zionist supporters.

Although the CFR-Jesuit nexus appears to have put a tight lock on Reagan's policy, the fight for Reagan's base is still undecided. Discussions with Reagan's organizers in the field reveal that after the initial euphoria when the hated liberal, John Sears, was booted out of the campaign, dismay is setting in at the grass roots. As one Southwesterner put it: "I thought we'd seen the last of Henry Kissinger when the Ford balloon deflated. But now it looks like Reagan has managed to attract a whole bunch of Kissinger clones."

Reagan advisor

'We'll make those Cubans break with the Soviet Union'

The following is an interview with Roger Fontaine, one of Ronald Reagan's chief foreign policy advisors.

Q: How do you think the North American Common Market idea that Reagan has endorsed will find its way into the campaign?

A: Brown and Connally have wanted a Common Market, not Reagan. He wants an accord, not a Market. The Market can't work because Mexico and Canada won't accept it. The Mexicans are anxious to talk about economic ties linked to energy and immigration and *this* is what Reagan has in mind. Reagan will push the accord idea in the campaign. I also expect to see in the presidential race a lot of time spent on the *Cuban* role in Latin America, this in fact will be an issue of first-level importance. To get a sense of this, you should look at Reagan's speech in Chicago yesterday, where two pages were devoted to Central America and the Caribbean. I felt out the Governor on this, and he went with it.

Q: Who's advising these days on foreign policy, Latin America, and so forth?

A: I'm one of his advisers on foreign policy. I don't talk

to the Governor personally all that often, but I do talk to Dick Allen frequently on Latin America. I drafted the Caribbean parts of his speech in Chicago. In the Caribbean, and Central America, we see a highly sophisticated Cuban policy, a Cuban-Soviet attempt to move in the region. The example that shows how the thing works is *Grenada*. That country had a March 13 Marxist coup, and the government progressed in a pro-Soviet direction to the extent that Grenada voted with the Soviets on Afghanistan!

I hope this whole question will be developed in the campaign, that we will support strongly what I regard as a 'Monroe-Doctrine-plus'. Or, what could be called a 'Truman Doctrine' for the Caribbean. That policy is a good idea because even a Democratic administration a la Truman could implement it. What it would be is a friendly government asking for assistance, as Greece did in 1947, and then we could aid them as we did Greece.

Look, the El Salvador situation is not the only one that is blowing up. Guatemala is moving in the same direction. Honduras in six months will be like El Salvador now. Probably Trinidad will go the same way. Jamaica will also change, but this will be different. There will be an election in October, and I think Manley will lose, and be released by a JLP government, which will be pro-American and pro-Western. There, in Jamaica, we should be ready for a major economic policy, to make Jamaica, in effect, like Greece was, the mainstay of a new Truman Doctrine for Latin America.

I'm very hopeful Reagan will make all this a big issue in the campaign. As he told his Chicago press conference after the speech: as the campaign heats up, he'll be addressing the issues more and more.

Q: Do you want to see Cuba blockaded?

A: That should be one of the options. Before that we should: a) pull out our diplomats, and send theirs out of Washington; b) have aerial surveillance of the island; c) shut off their tourist dollar flows, which are substantial; and; d) tear up the fishing agreement with them. Then, we will have communicated, 'We're getting serious.' They'll be put on notice that they either break their military alliance with the Soviet Union, or pay the price. The price will be that we will throw help into UNITA against the Cuban-backed groups in Angola and we will help the Eritreans and Somalians against Ethiopia. This will be a lead to a blockade action. We should turn the screws tighter and tighter against Castro, and then come in with a substantial carrot. Look, the Cuban economy is in extra-special shambles, not just shambles, but extra-special shambles. Fidel has frankly admitted it, in his speech of December, 1979. What he said then is an expert analysis, the best thing he's come up with in 15 years. This economic disaster gives us opportunities to help

Cuba out, if Castro plays the game, and we should go all out with this kind of policy.

Q: Would this American policy toward this area, in terms of the North American Accord idea, provide an answer to the collapse of American posture in the Middle East?

A: Absolutely! Look, it makes no sense to be the neighbor to another Saudi Arabia and not to act upon it. We had some real energy experts work on this, under the overall coordination of Dale Tahtinen. The reason why the Accord should be looked at is that neither Canada nor Mexico will subscribe to the Common Market, and for good reason: they would be totally submerged by the U.S. What Reagan is headed for is to set up, with Mexico, a very strong and very special relationship.

For example, 1) we should keep the U.S. wide open to Mexican exports, especially since most of these exports come from U.S. investments in border industries, and so on, and 2) on the energy side, there's a god-awful debate inside the Mexican government over whether to pump more oil or not. A key crowd inside PEMEX wants to go up to 4 million barrels right now, against a low-production tendency among the left and in the bureaucracy. If this debate is resolved in the right direction, we could eventually get 2 million barrels a day from Mexico whereas right now we only get 600,000.

Q: But wouldn't Reagan's gunboat-diplomacy tones alienate the Mexicans?

A: No. The Mexicans are, for example, very worried about Guatemala, more so than most people realize. They may attack us publicly if we act in that situation, but privately, they will approve. The problem up till now is that the Carter administration has gummed up everything. They don't understand what is known: that there is a traditional charade whereby Mexico must seem leftist vis-a-vis the U.S., but in reality act in their own interest. Carter's people have never grasped the meaning of this charade.

The other concern about Mexico is the fact that Lopez-Portillo will only be in office till 1982. So we must get things done in 1981, since for most of the end of his term, as is traditional in Mexico, the incoming president begins to run things before he gets elected.

Q: Some people are concerned that the Council on Foreign Relations and the Trilateral Commission are providing Reagan with advisors.

A: I know Bill Casey, for example, and he ain't no liberal. He's put the campaign in good shape. His CFR connection isn't that important. A recent survey I saw, which I think the CFR put out, showed that most of their members are more conservative than people think. All this Trilateral-CFR stuff from the right-wing is overblown.