

National News

Hearings set in Congress to investigate Vesco

A special unit of the Senate Judiciary Committee has now set Feb. 3 as the date to begin investigations of a Justice Department cover-up regarding fugitive financier Robert Vesco. The Carter Justice Department, which was run by Benjamin Civiletti, has been accused of dropping politically sensitive investigations, including Vesco's ties to Democratic Party leaders, and the Carter administration, for political reasons.

The first witness called by the Judiciary Committee unit will be former Democratic Party National Chairman John White, who had been accused of using his political connections for Vesco.

The investigation will be conducted by a special subgroup of the committee set up for this purpose. The group is headed by Sens. Orrin Hatch (R-Utah) and Dennis DeConcini (D-Ariz.).

Congressional sources noted that any investigation of Robert Vesco could lead directly to the Billygate scandal, and to the network in the Justice Department which covered it up. On Jan. 9 *EIR* founder Lyndon LaRouche called on Congress to immediately reopen the Billygate affair to protect the security of the President.

Buckley runs phony Global 2000 debate

Undersecretary of State James Buckley, considered by the population-control lobby as their "point man" in the Reagan administration, has commissioned two opposing reports on government funding of global population-control programs.

One report opposing government funding for international population control, written by Jacqueline Kasan of Humboldt University, California, claims there is no basis to the idea that popula-

tion decline enhances economic growth. The other report, written by Neil Eberstadt of Harvard, demands more government funds for population control education in the Third World, foreign aid for abortion research, and the creation of a special U.S. agency, as well as upgraded U.S.-World Bank cooperation, on international population control.

Buckley has met with both authors and will render his "careful assessment" on the reports.

Opponents of Constitution push budget reform

At a mid-January conference in the nation's capital, the Committee for a Responsible Federal Budget launched a campaign to further weaken Congress's constitutionally mandated control over federal spending. Not surprisingly, the Committee is composed of the same group of Wall Street investment bankers and supporters of population reduction who stand behind Federal Reserve Chairman Paul Volcker. Weakening Congress's powers of budgetary debate and evaluation is key to the elimination of congressional roadblocks against gutting the federal budget.

Numerous members of the House and Senate were invited to the conference. Included on the Committee's Board of Directors are:

- *Edmund Muskie*, former Secretary of State and an ally of Democratic National Committee Chairman Charles Manatt; Muskie was the Carter administration official who released the genocidal population reduction plan, the *Global 2000 Report*.
- *Peter Peterson*, a top New York investment banker from Lehman Brothers Kuhn Loeb;
- *Brock Adams*, Trilateral Commission member and former Transportation Secretary;
- *Jim McIntyre*, Office of Management and Budget Director under the Carter administration;
- *C. William Verity*, the head of

Armco Steel and the President's Task Force on Volunteerism.

Organizers for the Committee include former Connecticut Democratic Rep. Bob Gaimo and former Oklahoma Republican Sen. Henry Bellmon, both of whom were leaders of their respective congressional budget committees.

Starting with meetings for the National Association of Manufacturers in March and for the Business Roundtable in February, the committee will move to a nationwide series of meetings for state Chambers of Commerce. The group is seeking to impose in the House a restriction limiting budget debate and congressional amendments, comparable to that instituted in the Senate by the 1974 Budget Act, a product of the Brookings Institution.

Khomeniacs swarm around nation's capital

Ayatollah Khomeini's terrorists, disguised as diplomats from Iran, are reportedly in Washington, D.C., with plans for terror and possibly political assassination.

Despite the fact that the United States has no diplomatic relations with Teheran, at least 60 Iranians have managed to attach themselves to the diplomatic mission of Iran in the Algerian Embassy. So overt has their presence been that the State Department is going through the motions of asking Algeria to reduce the number of Iranians allowed in its Iranian Interests Section.

But, in a sad replay of Jimmy Carter's willingness to cooperate with the mullahs, the Reagan administration has shown no sign that it is willing to offend Teheran.

According to Iranian sources, Karim Mokri, the brother of Khomeini's ambassador to Moscow, is currently in Washington to organize a network for the mullahs, bringing with him over \$1 million in liquid funds. Mokri's family, scattered throughout Europe, particularly Switzerland, is reportedly closely

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linked to the Iranian military. Several of Mokri's other relatives are prominent in the ruling Islamic Republican Party and local administrations in Iran.

On Jan. 20, exactly one year after the release of the American hostages, Iran is said to have planned to send up to 20 more Iranians to the U.S. capital. Security specialists are expecting some attempt to stage a spectacular act of terrorism after that date.

Part of the support for the new Iranian terrorism effort may have been conducted through the Islamic Center in Washington, which, during 1980, was taken over by pro-Khomeini radicals. That takeover was organized by Bahram Nahidian, an Iranian rug merchant, who is said to have been the ringleader of the Tabatabai assassination. The Civiletti Justice Department refused to pick up Nahidian for questioning on the Tabatabai murder.

Now, up to \$15 million has been laundered through the Islamic Center to create other local centers of potential pro-Khomeini activity in the United States.

Global 2000 moles draft Reagan policy

The White House Council on Environmental Quality (CEQ) plans to issue an annual report that will contain what a spokesman termed "back-door" praise for the Carter administration's genocidal *Global 2000 Report*.

Scheduled for release in late March or early April, a CEQ spokesman said the language of the report will be "carefully drafted to sneak past the White House censors." The CEQ's plan, its spokesman confirms, is to initiate an interagency task force to rewrite the *Global 2000 Report* from a "free-enterprise" and "national security" standpoint acceptable as Reagan doctrine.

The CEQ staff is dominated by Global 2000 backers, including World Wildlife Fund head Russell Train and members of the Committee for the Year 2000, many of whom will be involved in the

rewrite effort. Their report will probably be issued under the signature of President Reagan.

Depression wreaks havoc with Ohio budget

The State of Ohio is facing a huge \$1 billion shortfall by June, 1983, according to the latest revised projections of the Office of Management and Budget. This estimate comes just two months after a \$1.3 billion tax increase, the largest in the state's history.

"We're somewhere on the downside of a very serious depression," said OMB head Howard Collier. "We're not even near the bottom."

With unemployment at an official 12.5 percent last month and nearly 1.5 million unemployed or on welfare, tax receipts have been dropping precipitously in real dollar terms for three years, while costs have skyrocketed. Current estimates point to a \$760 million further decline from previously lowered projections among the four primary tax sources. Auto sales taxes will be hardest hit, falling more than 20 percent short of original estimates in fiscal years 1982 and 1983 and costing the state nearly \$200 million.

Concomitantly, welfare costs are expected to soar by nearly that amount, while state loans to insolvent public school systems will rise by \$60 million. From August, 1979 to September, 1981, caseloads in the Aid to Families with Dependent Children program have risen from 472,000 to 610,000—a rise of 30 percent—while General Relief recipients have doubled. Despite stringent new federal restrictions, AFDC cases are coming in at 10,000 per month.

Columbus officials characterize the Governor and legislature as being in a "state of shock" over both the projections and the brutal level of budget cuts and taxes needed to only temporarily overcome the deficit. What is mooted is a 50 percent slash in major budget items like mental health and prisons, and an 85 percent cut in education.

● **SHINTARO ABE**, Japan's Minister of International Trade and Industry, told President Reagan in a private meeting Jan. 17 that high U.S. interest rates are the major cause of the American trade deficit with Japan.

● **HENRY KISSINGER'S** associates at Georgetown University's Center for Strategic and International Security Affairs have been holding a series of closed-door seminars for members of Congress on whether or not the United States is ready for an energy emergency. According to one source involved in coordinating the meetings, the boys at CSIS have come to the conclusion that "our energy emergency planning is in serious disarray," and they are urging more authority for the executive in a crisis.

● **AN EMERGENCY** Mobilization Preparedness Board was formally established by the Reagan administration on Dec. 29, *EIR* has learned. Such a board has been a goal of circles of the Eastern Establishment who want a structure for virtual dictatorial control over the economy in the event of an economic, monetary or military crisis. The board will be chaired by the National Security Adviser and consist of representatives of 22 agencies at the Deputy Secretary or Undersecretary level. The White House announcement on the board declared that it will upgrade the government's capability to respond to "major peacetime or war-related emergencies."

● **TWO ERRORS** in our Jan. 19 article on water development: 4,000 million acre-feet of water run into the ocean without being available for human use; and a 1-gigawatt nuclear plant cleans and discharges about 75,000 gallons of fresh water daily.