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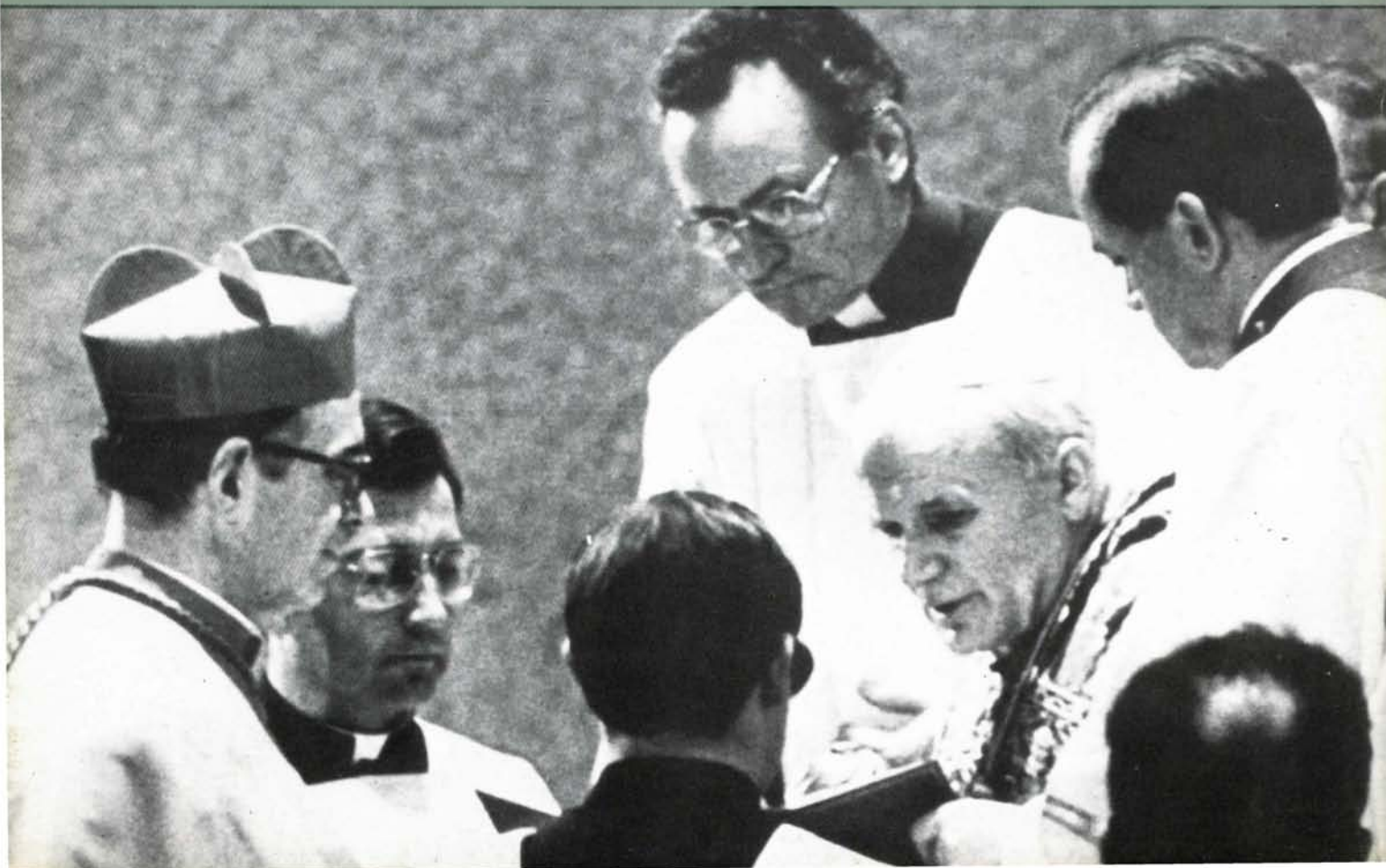
Executive Intelligence Review

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**Exposed! The Fed fraud goes international
LaRouche tells why the elites are confused
Fight over Kissinger erupts in Washington**

**The Club of Rome attempt
to take over the Vatican**



EIR Special Reports

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EIR

From the Managing Editor

What emerges in this issue of *EIR* is a picture of havoc internationally and impotence within the Reagan administration. As a new dark age threatens to sweep the Middle East after the U.S. withdrawal from Lebanon, and Ibero-America is subjected to new assaults on its economies, Henry A. Kissinger is moving toward an outright coup in the Oval Office.

Kissinger, the instigator of the oil crises of 1973 and 1979, has obtained Lebanon's de facto partition. Kissinger's Harry Schlaudeman is the new U.S. special envoy to Central America—the man who helped set up the foolish invasion of Santo Domingo in 1965; coordinated the 1973 Pinochet coup which has wrecked the nation of Chile; enforced policies of austerity and cocaine export as ambassador to Peru; and, as ambassador to Argentina during the Malvinas War, backed the British violation of the Monroe Doctrine. Now Schlaudeman is to carry out the Kissinger Commission's plans, which are, as we exposed in our Feb. 14 issue, to prolong the slaughter by funneling weapons into Central America which will inevitably end up with the insurgents, in order to meet Kissinger's depopulation targets, and to expand the narcotics traffic under the thin cover of "free enterprise" economics.

How long will Americans watch their government foster the devastation of the underdeveloped nations and allow Soviet proxies to take over the Mideast? Where is the United States of pioneers and builders? In his next national television address, *EIR* founder Lyndon H. LaRouche, Jr. will present the great ventures around the world required to retrieve the economies and national security of America and its allies.

In this issue, we want to call your attention to the latest in a series of articles by Washington bureau chief Richard Cohen on the demise of the Kissinger "China card." Note too that we have transformed our "Eye on Democrats" column into "Elephants and Donkeys." Particularly in an election year, we thought it important to comply scrupulously with the spirit and specifics of "equal time" in coverage of stupidity on the U.S. political scene. Then there is our new "Attic Chronicle" column, which Phocion vows to continue until the fall of Prime Minister Andreas Papandreou. We also remind you about *EIR*'s special multi-client report, "How Moscow Plays the Muslim Card in the Middle East," available through Special Services director William Engdahl.

Susan Johnson

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Correction

In the Feb. 7 issue of *EIR* the article entitled, "Brookings: U.S. Shouldn't Build ABMs, Because the Soviets Have Them," had a mistake in the table—Soviet anti-missile defense—that appears on page 59. The SA-12 missile system was listed as the SA-1 system.

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Volcker's biggest fraud: the new debt gambit

by Vin Berg

Federal Reserve chairman Paul Volcker, who has been instructing his statisticians to lie to make a depression look like prosperity, has now imposed on the Office of the Comptroller of the Currency a shift in bank regulatory procedures designed to make the bankrupt financial institutions of New York appear bastions of liquidity. In the process, Volcker has put Comptroller C. Todd Conover in a position that could land him in jail; he has put the entire U.S. banking system in violation of the U.S. Constitution; he has put the U.S. dollar in a position of greatest vulnerability to collapse; and he has authorized the wholesale looting of America's principal allies among the debtor nations of Ibero-America, while placing them on the verge of repeating the hyperinflation of 1923 Weimar Germany.

This past December, as *EIR* reported, the Fed and the Comptroller, in both joint and separate communications with major New York banks, informed them that they could accept payments on Ibero-American debts in "soft currencies." Although the debt of Brazil, for example, is denominated in dollars, Brazil, which can't possibly earn enough dollars to meet its usurious pyramided obligations, may now pay in Brazilian cruzeiros; by implication, Mexico and Argentina may pay in pesos, Venezuela in bolivars, and so forth. The local currency payments are to be placed in blocked accounts with the debtor nation's central bank.

Under a part of the plan championed by Commerce Undersecretary Lionel Olmer in discussions with nervous regional bankers, these accounts will be made negotiable—they can be used for equity investments in the debtor-nation, or marketed at a discount to another institution interested in local investment. Meanwhile, the "soft-currency" payments will be counted as "current income" of American banks by the regulators.

What this signifies is clear when one considers that, by U.S. law, any debt which is more than 90 days in arrears on *dollar* interest payments must be declared "non-performing," and the debtor must be declared officially in default. At present, when the debtor in question is Brazil, the loss incurred in writing off such loans by Citibank, for example, would mean that Citibank, too, is bankrupt.

As of Dec. 31, 1983, Brazil, using a grab-bag of accounting tricks, was able to keep its interest payments arrearages at 88 days—just under the default limit. But since then, Brazil's arrears have risen toward 120 days. Moreover, a \$6.5 billion "jumbo" loan to Brazil arranged by IMF officials is almost certain to fall through. Therefore, Citibank and other New York financial institutions heavily exposed in Ibero-America are officially bankrupt by all laws of the United States come the March 31 bank examiners' visit.

Volcker's high interest rates drained debtor nations of capital and destroyed the terms of trade and terms of financing the trade upon which Ibero-American nations depended to earn the foreign exchange for debt service. So, Volcker placed pressure on Conover, who has fiduciary responsibility to the depositors and stockholders of America's banks, to hide the fact that those banks are legally dead in the water because none of their Ibero-American "assets" is performing.

Volcker's idea was to make the debtors print mountains of their own currency to meet their obligations. Those foreign currency payments would be treated as if they were as good as dollar payments; by introducing a new regulation or two, and introducing some sophistry in compliance rulings on old regulations, "soft currency" payments could be used to hide the fact that countries like Brazil were way over the arrearage limit on their debts when accounted in dollars.

There is a very good reason why foreign obligations to

American banks are denominated in dollars, and by all banking regulations consistent with the sovereign economic power granted by the U.S. Constitution, must be paid in dollars. As a congressional source put it, "Any regulation which allows the banks to accept foreign currencies for dollar obligations means that the foreign monetary authorities have the ability to create dollar liquidity."

Nevertheless, as of now, a reportedly very nervous Conover has capitulated to pressure from Volcker and Federal Reserve Governor Henry Wallich, the putative author of the regulatory hoax. Step by step, the Fed has maneuvered debtors and their American creditors into an illegal, insane arrangement:

On Dec. 15, 1983, the Office of the Comptroller of the Currency issued an "Inter-Agency Statement on Examination Treatment of International Loans" on behalf of the Treasury, the Fed, and the Federal Deposit Insurance Corporation. The very circumspect document established a new category of so-called "Other Transfer Risk Problems"—bad loans Volcker et al. would consider good loans. The document did not spell out the "soft-currency" payments idea. "They would never put that in print," explained a source close to Volcker. "They simply said they would interpret the term 'full servicing of interest payments' flexibly."

On Dec. 23, a Federal Reserve memorandum concerning rules for implementing a new Regulation K, Docket No. R-0498, was issued, and went into effect Feb. 1. Henry Wallich held a closed-door meeting with New York bankers Feb. 9 to explain the memo's meaning. According to a source present at the meeting, Wallich told the bankers:

Debtors may pay the interest on their debt in soft currencies. The regulators are willing to account the loans to be performing loans, and will not account them to be non-performing. . . . As long as the central bank of the debtor country guarantees that the payments made in soft currencies will be transferred into dollars at some future date, then the system will work.

In plain English, Fed and other regulators are willing to violate the law on the 90-day arrearages limit.

Also on Dec. 23, Conover sent a letter to Citibank's in-house law firm, Sherman & Sterling:

It has been agreed by the parties involved that the restructuring of private and public sector Brazil debt . . . would result from the original obligors on the loans meeting their financial obligations on those credits by paying cruzeiros to the central bank to the account of the foreign creditors. The central bank is committed, by the deposit agreement, to convert the cruzeiros into specified foreign exchange deposits payable according to an agreed schedule. . . . The OCC has historically distinguished between loans and deposits, subjecting only the former to the provisions of 12 USC, Section 84. In light of the characteristics and context of these deposits, the OCC sees no need to

depart from this traditional distinction in the present situation.

Thus, Brazilian debtors may pay cruzeiros into blocked accounts at the Brazilian central bank. These will then be called "deposits," rather than "loans." OCC regulations requiring that "loans" be declared "non-performing" if not accruing dollar interest payments for over 90 days, do not apply to "deposits." Therefore, there's no problem!

Toward the Vail Plan

Citibank chief Walter Wriston is among those who appears to think there *is* a problem. "This is all fine for people like Wallich and Olmer to talk about," said a British banker. "Of course they do not have stockholders and depositors to think about." In Citibank's case, an enormous share of the bank's dollar income depends on Brazilian dollar debt service.

The currency repayments, sequestered in blocked accounts, are certain to depreciate rapidly on the international market—totally undermining the asset base of the American banking system, however "strong" the dollar were to apparently remain.

A pocket calculator shows, for example, that even if Brazil were to crank up its printing presses and create cruzeiros in an amount doubling its present money supply, it still wouldn't meet its debt obligations. The debtor-nations are thus placed in the position of Weimar Germany, hyperinflating its money supply to meet Versailles war reparations. As this procedure makes the local currency increasingly worthless—and with it, U.S. banks' "current income"—the economy of the debtor nation will become increasingly dependent on a black-market dollar economy increasingly dominated by the one dollar-earning "growth industry" left untouched by Volcker policies and the International Monetary Fund: illegal drug traffic.

This corresponds to the "free enterprise" rhetoric contained in the recent Kissinger Commission Report on Central America—a section of that report which Kissinger notably emphasized should govern all economic policy toward South America, too. It was, after all, Kissinger and his economist, Alan Greenspan, who first outlined the ultimate goal of the Federal Reserve's current regulatory hoax at meetings in Vail, Colorado last August.

Kissinger's "Vail Plan" proposed that, since Ibero-America's debts were patently unpayable, "debt for equity" should be the approach. In return for lower interest rates and stretch-outs, debtor nations could be induced—or brutally pressured—to eliminate their highly restrictive laws on foreign investment. Local currency paid into blocked accounts in the name of the creditor could then be used by the creditor or an entity to which the blocked account was transferred to "invest" locally. The model for Kissinger's plan is the British East India Company's method of turning indebted countries into British colonies. Through the blocked-accounts scheme, Brazil's leaders will print masses of Brazil's money, hand it to Brazil's creditors, and then watch the creditors buy Brazil.

What are the risks of an oil crisis?

by Laurent Murawiec

"In case of a flare-up in the Persian Gulf," said the official at the German foreign ministry, whose head Hans-Dietrich Genscher has made no secret of his partnership with the Ayatollahs, "we have so diversified our petroleum sources out of there that we won't feel any effect. We're insulated." Figures apparently justify this boast, since only 17% of Germany's oil came from the Gulf in the third quarter of 1983, whereas 'Gulf dependency' was around 50% in 1978.

Military and oil experts consulted on the matter stress, as a senior official at a U.S. oil major's London office did, that "shutting down the Persian Gulf is easy as hell: My mother could do it. The Iranians are on the Abu Musa island and the few islets there, it'd be hard as hell to drive them off, and if we did, they'd still be 18 miles away and could shell any tanker going through. Then, Khomeini wouldn't have to lift a finger—the insurance companies would shut down the Gulf!" Lloyds of London has indeed been charging penalty rates on ships sailing into the high-risk area.

Every day, 8.5 million barrels of crude go through the Strait of Hormuz. Experts calculate that its shutdown would leave an absolute shortfall of 5 million barrels a day (bpd)—the equivalent of 12% of free-world consumption—since Nigeria, Libya, Mexico and Venezuela, the main producers with significant spare capacity, could only increase output by 3 million bpd. "In that case, the price would not increase by less than \$10 a barrel," a London oil expert said. To prevent this, Saudi Arabia has been storing up 55 million barrels in tankers far away from the region, and will shortly reach the 70 million barrels level, at the cost of 20-30¢ a month a barrel. "This is a buffer stock to allow the United States to intervene," a broker commented.

Oil stocks in the Western world stand at 96 days of con-

sumption, as prescribed by the International Energy Agency, higher than they did in 1978, when after two months of Ayatollahdom in Iran, Royal Dutch/Shell, British Petroleum and other majors started a fatal scramble for oil, sending the price to close to \$40 a barrel, and the world into depression. "The real danger is not one of physical shortage of oil," said a specialized journalist. "The attitude of the media and the oil companies will be decisive. It could turn a temporary shutdown of the Gulf into a world crisis."

Another flank which might be opened is the fragile pipeline Karkuk-Cyhan, which brings 750,000 barrels of Iraqi oil through Turkey. Interruption of the oil flow might collapse the tottering Iraqi government, and tilt the whole regional balance in favor of Iran, whose guns and terrorists are already so frightening the exposed Kuwaiti sheikdom that it is suing for armistice, at a heavy political and financial price. Saudi Arabia, frightened by the U.S. withdrawal from Lebanon, is similarly sending "signals" to Moscow. "The Jubail-Yambu pipeline which brings some Saudi oil from the Gulf to the Red Sea is very fragile too," a Paris-based oil expert said.

France, which draws 35% of its oil imports from the Gulf (16% from Saudi Arabia alone), or Japan, which is 49% Gulf-dependent, would seem to be far more exposed than West Germany. Now, is it really the case that West Germany would be "insulated" from a shutdown of the Gulf? "No consumer nation in the world would be excepted from the price ripple. No contracts are longer than one quarter these days, and most are shorter, with 20% of free-world oil being either directly traded on the spot market, or price-related to it. The moment there is a crisis, no contract is sacrosanct, and the contracted price of one cargo can double within the two or three weeks of the trip. That's the beauty of *force majeure*," a London broker said.

The joker in the pack of oil cards is the Soviet Union, which exports at present 1.5 million bpd to the Western European nations, and has linked up with Japanese trading companies recently. Last year, France trebled its crude purchases from Moscow, Germany doubled them. The Soviets, meanwhile, trebled their own purchases of crude from the Middle East. Soviet power on world oil markets was already manifested in 1983, when it was Moscow that set off worldwide oil price cuts, immediately followed by the British oil companies, over the howling of a virtually impotent OPEC. The U.S.S.R. is the only major producer—it is in fact the world's leading oil producer—that can significantly crank up its oil exports from one day to the next. If strategic advantage can be reaped in supplying oil-starved Europe and Japan, Moscow can intensify its policy of the last year, squeezing its oil exports to its satellites, even to parts of its civilian economy.

In the event of an oil crisis, the probability of which is increasing with every shot fired between Iran and Iraq, strategic agreements with Moscow will be the price to pay for "insulating" Western European nations from the effects.

IMF spokesman discusses the death count

by Stanley Ezrol

In the course of a Feb. 9 seminar at Washington's Booker T. Washington Foundation, the International Monetary Fund's chief spokesman, Azizali Mohammed, boasted that the IMF kills children like "paint peeling off a wall." It was also revealed at the seminar, by an IMF collaborator currently employed by the Inter-American Development Bank, that Castro's Cuba had urged the Jamaican government of Michael Manley to accept the IMF austerity conditions which led to widespread social unrest in Jamaica and the electoral defeat of Manley.

In opening remarks, Azizali explained that the purpose of the IMF was to replace sovereign national authority in economic policies with an "international authority." He said that the most important purpose of the Fund is the "administration of a code of behaviour in international financial relations" and boasted that the IMF's original (since amended) regulations on exchange rates were "a rather remarkable surrender of sovereignty." He also observed that the IMF had managed to force member nations to deal in "Special Drawing Rights" (SDRs) against their national interest. He described SDRs as "fiat money," and bragged, "They're backed by nothing." He described the IMF agreement to accept this as "another high water mark of international cooperation."

Azizali proceeded to describe those who accuse the IMF of imposing harsh austerity as indulging in "journalese shorthand and a confusion between the messenger and the message that he brings." He enunciated the standard IMF argument that "It is not the policies of the Fund that have necessitated austerity, but the circumstance that has created the balance of payment difficulty." Challenged by Ravi Aulakh, an economist specializing in the development of the Sudan, with evidence proving that each of the IMF's policies for the Sudan had had "the exact opposite of the result presumably desired by the IMF," he protested that "In these cases, you can describe a before and an after, but not an if or an if not." He thus argued that no accumulation of evidence of economic disasters following the imposition of IMF conditionalities can prove that the conditionalities were responsible for the disasters.

Next, the IMF spokesman took a question from this correspondent. "This week's issue of *Executive Intelligence Review* says that there are 40,000 infant mortalities per day in

Africa alone attributable to economic conditions. . . . When the IMF proposes conditionalities, to what extent is the impact on mortality assessed, and do you care?" To this Azizali responded, for the public record, "We care, but there's not much we can do about it. We are in the position of firemen being called on to put out a fire. When we turn on the hoses, we cannot worry about the paint which peels off the walls."

This declaration was greeted in silence by the audience, about half of whom were diplomats representing African nations involved in or considering negotiations with the IMF.

Cuba and the IMF

Following Azizali, Richard Fletcher, currently employed by the IMF affiliated Inter-American Development Bank, discussed the IMF programs for Jamaica. Fletcher boasted that he had previously negotiated three IMF agreements as Jamaica's finance minister under Prime Minister Michael Manley. He defended the austerity measures which led to the downfall of the Manley government by claiming that the impoverished people of Jamaica "were living beyond our means from the early 1960s." The IMF measures, including a "25% reduction in the real wage," had been decided on by the Manley government with the recommendation of technical advisers from Castro's Cuba, he explained. He went on to describe how the socialist trade unions were organized to support this policy: "We had to mobilize the population for suffering," he said. Fletcher noted that the brunt of the living-standard reductions fell on the poorest sections of the population saying, "The upper classes know how to protect themselves. They are internationally mobile like myself." After the fall of the Manley government as a result of the agreements he had negotiated with the Fund, Fletcher added, "I became an international bureaucrat, at a considerable increase in my own living standard." During the discussion period after the seminar presentations, Gideon Uku, the *chargé d'affaires* of the Embassy of Kenya to the United States, rose angrily to protest the allegation, made in the course of the presentations, that Kenya has a "cozy relationship" with the Fund. "We do not have a cozy relationship with the IMF," said Uku, "and the managers of the IMF know this very well. They know the kind of reception they get when they come to Kenya, and it is not flowers and champagne."

In France, 'red billionaires' broker the deals with Moscow

by Laurent Murawiec

Ten billion francs' worth of long-term industrial contracts were signed in Paris on Jan. 30 by Deputy Soviet Prime Minister Ivan Arkhipov, who brought a large delegation to visit a number of France's largest corporations. The deal, which extends to 1990, provides desperately needed breathing space for indebted, loss-making French industrial giants. As a commentator for the official Soviet news agency Novosti stated to the daily *Le Monde* on Jan. 28, "There is a recovery of Franco-Soviet cooperation. It has long been one of the dynamic elements in the process of cooperation in Europe. . . . Will France remain a privileged partner of the Soviet Union? It depends solely on her."

Along with President François Mitterrand's recent diplomatic openings to Moscow—"France and the Soviet Union have never been enemies," he stated recently in Belgrade—the business deals provided crucial incentives to complement the heavy-handed pressures from the Soviet side. A powerful French industrial-political complex has long advocated a strategic alliance between France and the Soviet Union, directed against the United States. Foreign Trade Minister Edith Cresson traveled to Moscow in December to co-chair the meeting of the French-Soviet "Grand Commission," and the head of the industrialists' association, the CNPF, Yvon Gattaz, also made his pilgrimage to the Russian Mecca. Four Communists are members of the Mitterrand cabinet; legions of party faithfuls have invaded the upper levels of the all-powerful civil service and created large clienteles with their ability to distribute trade payoffs.

The case of Riboud and Doumeng

The first example of the industrial side of France's Soviet lobby is the chairman of the Curaçao, Dutch West Indies-registered multinational corporation Schlumberger Ltd., Jean Riboud. With a turnover of some \$10 billion, the Franco-American company has a reputation as "the best-managed multinational in the world" (according to Felix Rohatyn, who sits on its board).

The company's history alters this picture somewhat. Established in 1927 by Conrad Schlumberger and his father Paul, from a family that had moved from Württemberg to the French Alsace, the company had patented a new technology of electrical scanning and mapping of differential resistivity of rocks applied to the detection of oil fields. For two years, no client showed up, until the U.S.S.R. sent its representatives to get the Société de Prospection Electrique on the business track in the Soviet Union. Conrad Schlumberger was a shareholder in the French Communist Party daily *L'Humanité*, while Soviet ideologue Nikolai Bukharin ran Soviet oil policy.

Enter Jean Riboud, son of a wealthy industrial family of Lyon, who during World War II had been sent to the Buchenwald concentration camp, where his life was saved by Communists. The Communist International, by agreement with the SS, was running matters internal to the camp and its internal organization, including the selection of who was allowed to live, or die. A leftist already in the 1930s, Riboud survived and "emerged from the camp thinking of himself as a Communist," as an intimate described him, which did not stop the young man from being hired by top Protestant banker Istel in New York in 1946. Riboud's American years were marked by his friendship with Soviet spy Alger Hiss—whose innocence Riboud defends to this day—and with the avant-garde of Greenwich Village.

Riboud married the Indian Krishna Roy, whose uncle, the revolutionary leader Sumyendranath Tagore, had lived in the Soviet Union in 1927-29 and became a friend of Nikolai Bukharin. Riboud was then brought into the Schlumberger company, whose Eastern operations he ran until he became its chairman. A close adviser to Mitterrand who enjoys immense behind-the-scenes influence, Riboud, often tipped as a potential prime minister of Socialist France, sits on top of a corporation whose personnel enjoy unique access to all parts of the world: When Schlumberger, which has a massive corner on the wireline logging technology of measuring and controlling oil wells, is hired by a country or a company, its

own engineers do not train locals in the knowhow, but jealously guard their secrets. Schlumberger engineers, in the U.S.S.R. or the Middle East, cross borders without trouble—and are under investigation by several secret services for their role in the logistical underpinnings of Mideast-centered terrorism. Sources have also reported that business connections exist between Jean Riboud and Swiss Nazi banker François Genoud, the protector of Islamic terrorism.

Another power broker in France who was equally at ease with former President Valéry Giscard d'Estaing, is a card-carrying Communist, the "red billionaire" Jean-Baptiste Doumeng. Chairman of the huge Interagra trading company, Doumeng has developed his original base—southwestern French farmers' trading cooperatives—into a powerful agrobusiness empire which has become Europe's number-one agricultural East-West trader. When the European Community tries to liquidate some of its huge butter stockpiles, Doumeng is on the spot to ship it at a bargain-basement price to the Soviet Union. When French farmers export food to the East, Doumeng's string of companies does the financing. When several times the export subsidies granted under the EC's Common Agricultural Policy are pocketed, there is one of Doumeng's companies looming large.

When Giscard, to the fury of his other Western partners, flew to Warsaw to meet Leonid Brezhnev shortly after the 1979 invasion of Afghanistan, it was Doumeng who had arranged the trip, along with his friends and associates, top international lawyer Samuel Pissar and former Interior Minister Prince Michel Poniatowski. Doumeng and the prince have been associated in the secretive Paris-based Banque Stern. More recently, the Mitterrand government appointed Doumeng a board member of Coface, the French export-credit insurance corporation.

How did the son of a poor farmer reach such heights? A civil servant for the first few years of the war, he joined a Communist resistance movement in 1943 and went up the party's bureaucratic ladder. In 1952, he attended the benchmark Moscow World Economic Conference, organized by the Soviets to pull together their international trade partners in the face of Cold War trade freezes. There, he was spotted by the chairman of the Paris-based Soviet bank Banque Commerciale pour l'Europe du Nord (BCEN) and launched into the grain trade. Interagra and its offshoot IPI-Trade International became one of the world's leading East-West agrobusiness intermediaries. From Vietnam to Gabon to Eastern Europe, with or without his friends Armand Hammer and Samuel Pissar and partner banks, Doumeng represents a major asset in the Soviet policy of strategic corruption through business deals. For 30 years, Doumeng was a friend of Yuri Andropov.

Pissar himself was hired by Armand Hammer's Occidental Petroleum, through the mediation of Pugwash movement founder Cyrus Eaton, who also brought in Kennedy in-law Sargeant Shriver, a former U.S. ambassador to Paris and a friend of Soviet chief spy Zherman Gvishiani, deputy head

of the State Committee for Science and Technology, and former CPUSA member David Carr, who was doing business in Paris with the Soviets and the Lazard Frères bank. Pissar, a participant in the East-West Dartmouth Conferences which bring together the West's leading appeasers and their Soviet controller—"friends," works in close connection with a cluster of Paris banks which occupy center stage in East-West trade: Lazard, Stern, Louis-Dreyfus. His law firm in Paris and New York has acquired a large reputation in East-West transactions.

The Dreyfus financiers

The Banque Louis Dreyfus and the Groupe Louis Dreyfus, its mother company, are among the world's leaders in the grain trade and trade-financing business, since the establishment of the company in 1851 by Leopold Dreyfus. From Basel and Berne, it soon took a leading position on the Hungarian, Romanian, Indian, Argentine, North American, and above all Russian grain markets. When the Czar's Russia was Europe's breadbasket, much of the Ukraine's product was exported through Odessa, where useful contacts were created. By 1904, when *L'Humanité* was founded, Louis Dreyfus and his brother Charles were among its principal financiers. This might explain why in 1926, when the Soviet government sought to reopen some of the traditional grain export routes, it called upon Louis Dreyfus to do so.

The Banque Louis Dreyfus is the result of the merger of three private banks: the Banque de Hirsch, Banque Seligman and the original Louis Dreyfus. De Hirsch had financed the emigration to Canada from Romania, of which Louis-Dreyfus was consul general, of the Bronfman family, later known for its links to drug-smuggling and Soviet-channel activities. The Paris branch of the Seligman banking international was to become one of the chief bankers of the Comintern's Western European operations, shortly before World War II. Later, the Odessa-born family of the de Gunzburgs was to take over the chairmanship of the combined operation, while Alain de Gunzburg married Edgar Bronfman's sister.

Political influence

The predominant influence of this group of banks, and that of Lazard Frères, with the left-wing government of Edouard Herriot in the 1920s, caused that government to recognize *de jure* the Soviet Union. The Seligman bank at the time was run by one Nicolas Kagan, the Paris correspondent for the "Great Soviet corruptor of [prewar] Europe," Sweden's Wladimir Olaf Aschberg, owner of the Nye Banken where the Warburgs had opened an account for the Bolsheviks. He financed Lord Cecil's International Peace Campaign, the pro-Soviet peaceniks of the 1930s, and was the chief negotiator of Soviet loans for the whole interwar period.

When the Nazis invaded France in 1940, a team was sent to the Soviet-run France-Navigation, a shipping company with more than 60 cargo ships, which had been the prime conveyor of Soviet military hardware smuggled into Spain during the 1936-39 civil war. The company was based at the

headquarters of the Soviet bank BCEN. Kagan and Seligman were shareholders and keepers of the stock and archives. The Nazis left empty-handed. The Comintern's top transport company in Western Europe was untouched by the Nazis throughout the war.

Herriot, no longer prime minister by the 1930s, went for a much-publicized visit to the U.S.S.R. in 1932. This friend of the Soviet Union was later to be rewarded by being appointed honorary chairman of the French Communist Youth after World War II. His protégé Edgar Faure, a young up-and-coming lawyer in the late 1920s, learned Russian at the advice of the Grand Master of the Freemasonic Grande Loge de France—Masonry being the common feature of the Louis Dreyfus, Stern and Lazard Banks, of Herriot, Faure and Kagan—and made an extraordinary career after 1945, twice France's prime minister under the Fourth Republic, countless times a senior cabinet minister, and surviving into the Fifth Republic, where even General de Gaulle used him as a special envoy to the U.S.S.R. and China. In parallel, Faure—currently the Trilateral Commission's favorite wheeler and dealer on the French political stage—led a fruitful career as an international lawyer, being retained by some of the country's top corporations, such as Saint-Gobain-Pont-à-Mousson, France's fifth largest, as its consultant for Soviet affairs.

When the student and workers' uprising of May 1968 nearly toppled Charles de Gaulle, the price exacted by the Communist Party for withholding the final push was the appointment of Faure as education minister, from which job he supervised the delivery of French schools and universities to the leftists.

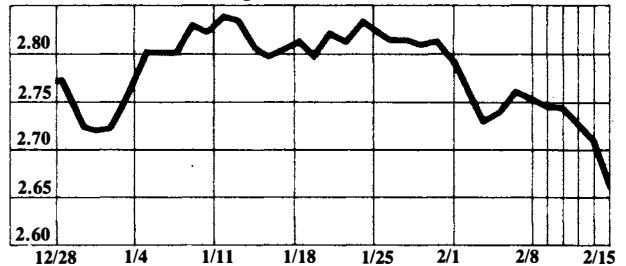
France's East-West trade, estimated at close to \$8 billion in 1983, 4% of the nation's external trade, plays a political role out of proportion with mere figures. "Is the French position on the Euromissiles a hindrance for French-Soviet trade?" a journalist recently asked KGB General Evgeny P. Pitrovanov, who doubles as first deputy chairman of the Soviet Chamber of Commerce. "One must be a realist, he answered; one cannot have bad political relations alongside good economic relations, can one? If we Russians, are compelled to build more weapons, we will have less money for new contracts and investment. That much must be clear." Recall the thesis put forth in 1957 by Soviet General Lagoskii, in an article on economic warfare as a tool of global strategy, that trade constitutes, as the title of the article had it, "the weak link."

The French case also illustrates the real nature of East-West trade: the extraordinarily important role played by the individual "brokers" without whose intervention it is virtually impossible to break into the Eastern markets, and the overwhelmingly political nature of their trade. When a consortium of Lazard Frères and Armand Hammer was awarded the gold-coinage contract of the 1980 Moscow Olympics, with Pizar and associates in the background, billions of dollars transacted allowed the corruption of leading politicians, including a foreign minister.

Currency Rates

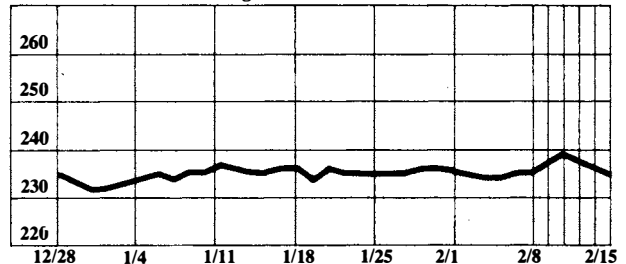
The dollar in deutschemarks

New York late afternoon fixing



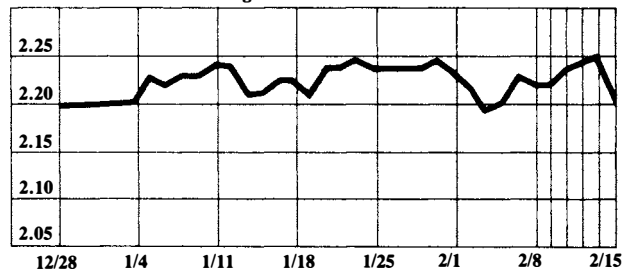
The dollar in yen

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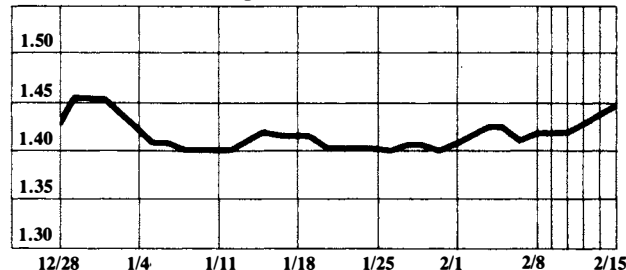
The dollar in Swiss francs

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing



How the food irradiation breakthrough was achieved

by Marjorie Mazel Hecht

Fish that stays fresh in the refrigerator for two or three weeks, strawberries that don't go bad, potatoes that don't sprout, and flour that doesn't get mealy: This was the promise of food irradiation in the Atoms for Peace days, and 30 years of extensive testing have proved the technology to live up to every bit of the spectacular expectations. Irradiation eliminates insect infestation, retards spoilage, prolongs shelf life, ensures purity, and permits shipping and storage of meats without refrigeration—all at relatively low cost.

Furthermore, food processed with gamma irradiation is perfectly safe, tastes good, and is as wholesome as it is when fresh. For these reasons, irradiated food was selected by NASA as the best way to feed astronauts in flight.

The Natick story

The pioneer agency in food irradiation research is the U.S. Army, which during World War II asked the Massachusetts Institute of Technology (MIT) to investigate whether irradiation could extend the shelf life of foods needed for feeding the troops abroad. Within five years, MIT had demonstrated the efficacy of food irradiation, and in 1953, the Army set up a special laboratory center—the Quartermaster Corps Research and Development Command in Natick, Massachusetts, near Boston—to consolidate the government-sponsored food irradiation projects.

Food irradiation was forced to remain in a research-only status, however, when in 1958 Congress passed the Delaney Amendment to the Federal Food, Drug, and Cosmetic Act, which classified food irradiation as a "food additive" and specified a very stringent testing and petitioning procedure item by item before the FDA could grant approval for the commercialization of any irradiated food product.

The history of this Natick lab is a success story in the development of an advanced technology. Once scientists knew in general what the technology could do, they set out to perfect it. As described by Dr. Eugen Wierbicki, a research leader in the project and a specialist in meat science, the project was designed to determine which conditions—irradiation level, temperature of processed food, packaging, and so on—would produce the most wholesome and agreeable

products as well as to test the effect of feeding irradiated food to generations of animals. Scientists had to be sure, for example, that the irradiation did not cause the formation of any deleterious radiolytic products in the food being processed, and that there were no genetic changes induced from a diet of irradiated food. They also had to solve aesthetic problems, such as the odd smell that the early experiments with high-dose radiation produced in meats.

Just at the point when the Natick laboratory had without question advanced the technology of food irradiation to the commercialization stage—that is, having produced the data that could objectively meet the the stringent specifications of the FDA—the U.S. Army, under the Carter administration, disbanded the program. In October 1980, all 56 scientists at the laboratory were dispersed around the country, the irradiation source (cobalt-60) was given to a state university for research use, and the laboratory was shut down. The ostensible reason given was that the Army should no longer be involved in something that was ready for commercialization. However, this deliberate destruction of a successful U.S. research team on the verge of realizing the fruits of 30 years' labor is a vivid example of how food irradiation in this country has been sabotaged to prevent the technology from implementing its most important promise: The elimination of hunger and starvation in the world simply by preventing food loss to insects and spoilage.

Today only one of the Natick scientists is still working on food irradiation, under the aegis of the U.S. Department of Agriculture, which took administrative control of the Natick project.

Taking the technology off the shelf

The Food and Drug Administration in March 1981 published an advanced notice of its proposed change in regulations for the approval of irradiated foods. Although a very small step—allowing foods processed with up to 100 kilorads to be commercially marketed with no further testing—it was not until Feb. 14, 1984 that the proposal was given a preliminary green light by the secretary of Health and Human Services, Margaret Heckler, whose agency had been reviewing

the proposed change for three years. The public now has a month to comment on the proposed new regulations, after which time the FDA will issue the final version of the new rules, which will then be law.

In announcing the proposed regulations at a Washington meeting of the National Food Processors Association, Mrs. Heckler noted that "30 years of research on the irradiation process have shown that the proposed levels of irradiation are safe and nutritious" and that irradiation would provide an alternative to the use of the pesticide EDB.

Once law, the new regulations will open the door for commercialization of food irradiation in the United States, although Americans will still not enjoy full range of benefits of the technology because the allowable dosage limit is so low. (See below for what 100 kilorads will do.) Also, since profitability depends upon volume with food irradiation facilities, the proposed 100 kilorad limit of the FDA will restrict commercial growth, by restricting the range of products that can be processed.

There is some possibility that the FDA will up its allowable limit to bring it up to the world standard set two years ago. The internationally recommended standard is 1,000 kilorads—10 times higher than that proposed by the FDA, and the World Health Organization and the Food and Agriculture Organization in 1981 stated unequivocally in proposing this standard that "irradiation of any food commodity up to an overall dose of 10 KGy (1 megarad) presents no toxicological hazard." (A rad is a measurement of radiation absorbed; 1 megarad equals 1 million rads, or 1,000 kilorads, or 10 kilograys, a new proposed radiation measurement unit that is not yet universally used.) Furthermore, WHO wrote, "All the toxicological studies carried out on a large number of irradiated foods, from almost every type of food commodity, have produced no evidence of adverse effects as a result of irradiation."

The three-year review of the FDA regulations within the Health and Human Services agency has centered on the question of labeling: Should irradiated foods bear the label "irradiated?" The agency concluded that this was not necessary, except for bulk shipments (those not yet packaged for individual sale) so that the product would not be irradiated again in processing it for sale. Some countries, including the Netherlands and South Africa, have adopted a small symbol to label irradiated products.

Commercialization: How soon?

There is a handful of U.S. private firms ready to go with commercialization of food irradiation, including Radiation Technology, Inc. and Isomedix in New Jersey and International Nutronics in California. Radiation Technology has been an outspoken advocate of commercialization for years, and currently operates plants in the United States to irradiate food for export, including poultry, grapes, strawberries, and fish. International Nutronics just completed a pilot project

plant in Irvine, California (see interview).

Once the new FDA regulations finally go through, these companies expect to be on the front line of a long-awaited revolution in food processing. One of the immediate projects will be the use of irradiation on harvested citrus fruits to kill fruit flies and their eggs, now that the pesticide EDB is about to be banned as a fumigant for this purpose. This use of irradiation, in fact, was specifically mentioned by the Environmental Protection Agency as a viable substitute for EDB, although estimates are that it would take at least 18 months to build the on-site plants required in Florida and other citrus-growing areas.

The new regulations should also open up an export boom, for although 28 other countries now permit the marketing of irradiated foods, the U.S. go-slow attitude has been responsible for the sluggish development of food irradiation worldwide. At this point, the total world output of irradiated food is under 2,000 tons per year, a miniscule amount.

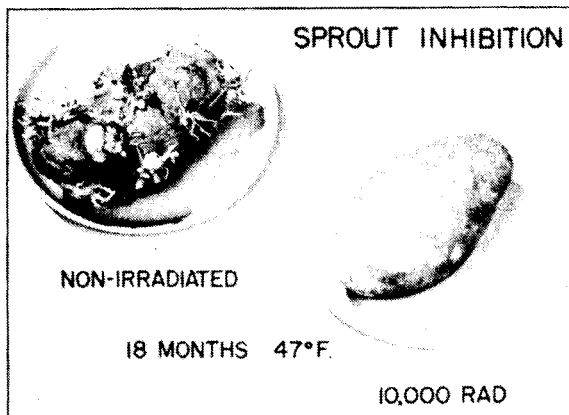
It is in the developing sector, where food spoilage, because of lack of refrigeration and other infrastructure, is a life and death question, that food irradiation could make a critical, short-term difference in providing food to the starving. Even the U.S. Agency for International Development, which is notorious for its funding of population control and low-technology projects only, considers food irradiation an "appropriate technology" for the Third World. In a recent interview, AID official Dr. Robert Morris predicted that within a year the agency would have an active program in this area. At this point, he said, the technology is being reviewed at the top level of the agency in terms of its potential for treating a wide variety of products. It is definitely more appropriate than freezing as a preservation measure and much cheaper than canning; much of the cost of canned foods for a developing sector—50 to 60 percent—is to purchase the containers, Morris said.

The key to how fast this revolution in food production will take hold is consumer acceptance. Here, the fact that the FDA has dragged out its change in regulations over the decade of the 1970s means that the public today is considerably more fearful and less able to apply scientific standards than it was in the Atoms for Peace days or even in the days of NASA's Apollo project. This process of devolution, of course, is deliberately fostered by the environmentalist groups promoting a post-industrial society and the media, and there is every indication that both groups will treat food irradiation as just another assault on their natural environment. The *New York Times*, for example, in its article reporting on the proposed FDA regulations noted that "Some scientists . . . expressed concern about the proposal, saying the long-term safety of food irradiation had not been demonstrated," and then devoted more than one-third of the article to the specific comments of one such scientist, John Gofman. (Gofman's prescriptions for safety-testing are such that we probably would not have bathtubs and certainly not automo-

Irradiation: how it works

Food irradiation uses the ionizing radiation (or ionizing energy) from a decaying radioactive isotope such as cobalt-60 or cesium-137 as its radiation source. Ninety percent of the cobalt-60 used in irradiating medical products and food is supplied by Atomic Energy of Canada Limited, a crown corporation, which produces the cobalt-60 as a by-product of its fission reactors. The U.S. Department of Energy is experimenting on a very small scale with cesium-137 as a radiation source, using the waste products from the nuclear defense project. While cobalt-60 has an effective lifetime of 5.5 years before it must be replaced, cesium-137 lasts for 30 years, and its use in food irradiation would literally halve the amount of nuclear waste that the nation has to dispose of.

Irradiation facilities for food or medical supplies are not elaborate. There is the radiation source with its lead shielding, an automatic conveyor system that transports the produce to and from the source, various control systems to manage the processing at the appropriate rate, and storage facilities. The DOE is now building a transportable irradiation unit, the Transportable Cesium-137 Irradiator or TPCI which is expected to test the effectiveness of irradiation in disinfecting crops such as citrus fruits right at the harvest site.



The use of irradiation to inhibit sprouting in white potatoes has already been approved by the FDA. This photograph was provided by Dr. E. Wierbicki, Eastern Regional Research Center, USDA, from research studies.

biles if his judgment prevailed.)

Curiously, a representative for the Isomedix company told this writer that he was not interested in having a pronuclear magazine advocating food irradiation because the company wanted to dissociate itself from the word nuclear to get better consumer acceptance. Specifically, he said he was working with consumer groups associated with Ralph Nader and counting on the cooperation of the Naderites not to attack the irradiation process.

The immediate future

The new FDA regulations would permit 100 kilorads of irradiation to process food. At this low dose level, one of the main applications will be to kill insects. This low-level irradiation is able to easily kill any kind of insect in any physiological stage, compared with other disinfestation measures, which do not always eliminate insect eggs.

With a low dose limit of 100 kilorads:

- potatoes, onions, and garlic can be irradiated to inhibit sprouting (6 to 15 kilorads);
- citrus fruits and tropical fruits can be irradiated to kill all insects and their eggs (20 to 100 kilorads);
- grain in storage can be disinfested (20 to 100 kilorads);
- strawberries and blueberries can be treated to inhibit mold and prolong shelf life for one to two weeks;
- bananas, tomatoes, pears, avocados, mangoes, papayas, and other fruits could have their ripening process delayed (25 to 35 kilorads);
- fresh fish could have its shelf life extended;
- pork could be made free from trichina (the United States now has one of the highest rates of trichinosis among advanced-sector nations and for this reason, a number of European nations embargo U.S. pork products); and
- ground meat could be decontaminated, prolonging its shelf life by lowering its bacteria count (specifically, the pseudonoma bacteria that cause ground meat to putrefy when kept for more than a couple of days, are very sensitive to irradiation).

At the next dose level, 100 to 500 kilorads—above the level that the FDA is scheduled to imminently approve—the irradiation can provide other crucial benefits:

At 100 to 300 kilorads, many pathogens can be eliminated from meats and poultry. For example, salmonella, according to the Interdepartmental Committee on Irradiation Preservation, contaminates as much as half of all chicken and leads to more than a million cases of gastroenteritis per year. Atomic Energy of Canada Limited reports this figure as much higher, 10 to 15 million people in North America yearly, and estimates that 250 irradiation facilities could completely eliminate salmonella in poultry at a cost of 2 cents per pound.

At 200 to 500 kilorads, shelf life of many products can be extended significantly, as can refrigerator storage. Poultry, for example, can stay fresh for up to 25 days. This dose level can also reduce the microbial level of food products

significantly. And at 500 kilorads, frozen shrimp can be guaranteed free from salmonella.

At even higher dose levels, 500 to 1,000 kilorads, spices, condiments, and dehydrated onions can be fumigated efficiently and with no loss of aroma, since irradiation is a dry process. And at 2,000 to 4,000 kilorads, irradiation could serve as a partial replacement for sodium nitrite.

For total sterilization of foods, eliminating all pathogens and viruses, high-dose rates of 1 to 6 megarads are required. With high dose irradiation and secure packaging, food products including meats can stay fresh without refrigeration indefinitely. This is what the astronauts eat in space, and this is the way hospital patients who require germ-free meals can be fed. The Natick laboratory developed a high-dose radiation technique, which first blanches the meat (to prevent enzyme deterioration), vacuum-packs it, and then freezes it and irradiates the packages in the frozen state. Once processed in this way, the meat can be shipped and stored without refrigeration, remaining fresh for years. According to Dr. Wierbicki, these meats were rated tasty in tests by U.S. Army personnel and retained their taste and wholesomeness when tested 10 years later.

The FDA has not yet approved this high dose irradiation for sterilization and long-term storage, but a decision is expected, after the results of a mammoth 8-year study by the U.S. Army and the USDA on irradiation-sterilized chicken are officially reviewed in the near future. To determine wholesomeness, more than 300,000 pounds of sterilized chicken were fed to various animal species for several generations over a period of years.

As reported by Dr. Wierbicki: In all the reports on the study, "...there is not a single indication that the irradiated food performed less efficiently than the nonirradiated control or that it caused any abnormalities in organs, reproduction, and growth (of the animals participating in the study). The only difference between the irradiated food and the canned, thermally processed item, which was the second control, was that the animals usually didn't reproduce and grow as fast as those fed irradiated food. However, this was to be expected, in that thermal canning destroys some amino acids, which is apparent in the protein efficiency ratios of the food."

Many of those who have been working for food irradiation for 30 years, and of course those in the irradiation industry today, have been anticipating the long-awaited commercialization boom since the FDA first announced its intention of changing the regulations on irradiation in March 1981. Their vision is that of the Atoms for Peace years, using the most advanced technology for the benefit of mankind. As the president of Radiation Technology, Inc., Dr. Martin Welt, put it, "The United States can prove to the world that it cares about underdeveloped nations and their peoples by approving radiation preservation of food for American consumers and making use of this same technology for low cost and extended shelf life shipments to the Third World or disaster areas."

Special Report and Alert Service

The Terrorist Threat to the 1984 Olympics

For the past three years, **EIR's** counterintelligence newsletter **Investigative Leads** has published detailed evidence of a growing terrorist infrastructure in the United States—funded and supplied by Soviet client state Libya, by KGB-linked fundamentalist movements like the Muslim Brotherhood, and by the Swiss-based Nazi International apparatus. These terrorists are targeting the 1984 summer Olympics in Los Angeles.

The FBI maintains that there is no serious threat of terrorism to the Olympics, while local law enforcement and U.S. military agencies continue to discover evidence of a planned bloodbath.

In the Special Report, "Terrorists Target the 1984 Olympics," **IL** details:

- The activation of Soviet- and Libyan-backed terrorist and separatist assets against the United States;
- The U.S. "window of vulnerability" to counterterrorism and the failure of FBI intelligence on KGB terrorist operations in the United States;
- The ties of the Olympics Organizing Committee to organized crime;
- The terrorist infrastructure's interface with the international peace movement and its Eastern Establishment figures such as McGeorge Bundy.

The Special Report is available for \$250.

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Investigative Leads announces a special Alert Service of weekly updates on terrorism, political destabilizations, military "hot spots," and background dossiers on terrorist and terrorist support organizations. Telephone consultations are available. The cost of the Alert Service is \$2,500.

Clients who buy the Special Report "Terrorists Target the 1984 Olympics" may deduct the cost of the report from the Alert Service subscription price.

For further information, contact Robert Greenberg or Richard Spida, **Investigative Leads**, (212) 247-8291 or (800) 223-5594 x818 304 West 58th Street, fifth floor, New York, New York 10019.

Empty silos

The U.S. Department of Agriculture is exerting itself to cover up the grain-stock gap.

A conflict between the USDA and the grain industry over the volume of soybean and corn supply has sent USDA into statistical contortions, worried the stock market, and forced Congress to hold hearings into the cause of recent inconsistencies in crop reports.

However, few besides *EIR* have even suggested that perhaps the reason for all the commotion is that we simply do not have the "abundant stocks" of grain that the USDA and others have claimed. The National Democratic Policy Committee now asserts what many farmers already know, that the so-called bumper crops of the early 1980s simply did not occur. They were concocted to reduce the price of grain, which will put thousands of farmers out of business.

The conflict in grain statistics came to light after the Chicago Board of Trade, had estimated in mid-January that there would be 5.2 billion bushels of corn in reserve. The official USDA statistics report claimed that the level was 4.9 billion bushels. The 300-million-bushel discrepancy temporarily shot up trading prices.

Perplexing the traders even more was the USDA's grain production report, released Jan. 23, which contradicted a 1983 production report released 10 days earlier. The gap caused a few days of extreme "uncertainty" on the futures market. The revised report indicated that the 1983 corn and soybean harvests were 2 and 4 percent larger, respectively, than had been forecast.

Grain analysts commenting on the

disparities conjectured that USDA was compensating in the stock figures for mistakes made in the earlier production statistics.

On Feb. 23, the House Agriculture Subcommittee will hold an oversight hearing to review the USDA's reassignment of several officials of the Agriculture Department's Crop Reporting Board, presumably to cover its tracks. The hearing will look into what the Department has done to avoid a repetition of recent inconsistencies in their crop reports. The USDA has announced that it intends to review the "methodology, analysis procedures and sources of data used by the board in preparing reports."

Pat Roberts (R-Kans.), ranking minority member of the subcommittee, said that the hearing "will answer some of the concerns expressed by producers over the accuracy and the integrity of the USDA's crop reporting service. Rumors abound over the recent crop reporting shakeup. The hearing will be an attempt to put those rumors to rest and restore integrity to the crop reports."

Whatever the hearing comes up with, one thing is certain: The 4.9 billion bushels of corn that the USDA claims are in storage, are simply not there. Farmers report that Cargill grain company is buying grain directly from farmers and not from elevators, because there is no grain in them. "If you knew how much grain is in the elevators," claimed an Ohio elevator inspector, "you would run scared."

For the past year and a half, the USDA has been revising crop figures

at all points—production, use and stocks—at double the normal rate of revisions. No matter how they try, they have not been able to cover up the fact that there was not enough grain in storage to fulfill the Payment in Kind (PIK) certificates when farmers came to claim their corn. Had farmers not walked away from their grain because the price was too low for them to make a profit by selling it, and had the USDA not sent out a special circular asking farmers to keep grain in storage longer than the contract stipulated, PIK would have been an even bigger embarrassment than it turned out to be.

The USDA is telling us that there are 4.9 billion bushels of corn in reserve, after they revised the 1983 production figures. But 1983 was a very low production year because of PIK, which cut production by 50% and the drought which knocked off another 15%. Yet the USDA revised upwards its production figures. (Even if the 4.9 figure were accurate, that is 41% down from a year earlier.)

What the USDA was counting on was that corn and soybean use would drop, and the missing grain would not be missed because supply would match the low demand.

But, as of February 1984, supplies are already running short to fulfill known demand, even if it is reduced demand. The average one-year usage is 7.2 billion bushels. Thus we already have a shortage of 2.3 billion bushels. Reflecting the shortage, a USDA crop expert said: "We need a price rationing of remaining stocks, or we will run out of corn if used at the rate of use in the last three months of 1983. Since we used 2.416 million bushels in 92 days, or 26,000 bushels per day, we have 274 more days before Oct. 1 when the next crop comes into use. We need 7.2 billion bushels to cover usage." Where will that grain come from?

Statistics and pessimism

A review of a useful investment guide which points up the unavailability of data on supply and demand.

Among a variety of similar investment handbooks, *Precious Metals Digest* contains the most detailed assembly of data, most of which draws on Bureau of Mines and other publicly available sources. Its detailed report on South African mining stocks was provided by a Johannesburg financial commentator.

Although the detailed supply and demand data for gold does not match the annual commentary available gratis from Consolidated Gold Fields of South Africa, some investors will nonetheless wish to have a survey of all major metals subject to investment demand in a single volume.

The editors' approach is summarized as follows:

"In these most modern of times, the ownership of gold and silver mining shares, coin and bullion has, on many occasions, provided safety of capital and opportunity for extraordinary capital gains.

"While man's progression has become more sophisticated over the past 5,000 years, indeed, even more so in the past 50 years, the evidence of history unfailingly points to gold and silver as the best defense against the economic nature of man and his related calamities, such as inflation, recession, depression, devaluation, shortages, and war."

The editors are, clearly, "hard money men" who have taken the trouble to collect all the data that seemed relevant to them and publish it in usable form.

But of what use is this data to the

individuals who wish to make money by investing in precious or other metals?

The volume's biggest problem is no fault of the editors, who take "statistics, forecasts, and market information . . . from government sources, which are believed to be accurate and reliable, but recognized as not infallible."

In the case of gold (but not of most other metals) their belief is wrong. There exist no accurate data whatever on the supply and demand for gold.

To the extent that net new mining production may be estimated, major gaps include Soviet output, which is a secret well hidden by the Soviets' trading partners in the West, as well as Third World gold production, e.g., Brazil's. Considering that several hundred tons flowed out of Third World central bank hoards last year, it is probable that all the standard estimates for net supply (official sales plus new production) undershoot the real figure by about 60 percent.

The editors note: "Some of the events that could increase the supply of gold to the market may include . . . the sale of reserve assets by some countries to satisfy pressing international debts," without noting that such sales had already been occurring at the volume's deadline.

Since industrial demand, jewelry demand, and dental demand for gold are fairly simple to estimate, the additional gold demand through 1983 apparently reflects monetary demand, on the part of investors as well as of-

ficial institutions (such as the Japanese central bank). The editors of *Precious Metals Digest* restrict their discussion of the monetary issues to a short mention of the President's Gold Commission in 1982, which came to no important conclusions, and to reiteration of the widely held belief that more inflation is a favorable factor for the gold price.

If monetary demand for gold is much larger than the usual statistics would indicate, then the gold price is a political issue *par excellence*, and the medium-term behavior of the price (at least) must reflect the political expectations and designs of leading market participants, not the least of which are the Soviet Union and the large European fortunes, as well as the various central banks who are active on the international gold market incognito.

Despite the wealth of detail, the volume does not provide the reader with the appropriate conceptual basis—hard facts being unavailable—to judge whether one should buy gold or not.

At the end, the investor is encouraged to put his money behind a variety of philosophical pessimism, i.e., the belief that the worst will, in any case, prevail. Such attitudes cost many gold investors large amounts of money during 1980 and 1981.

It is easy to justify such pessimism under present circumstances, but that does not suffice to provide an effective guide to the market.

Precious Metals Digest, which is published by Malden House in Seattle, nonetheless provides an informative survey of different investment vehicles, various mining technologies and how they may affect different gold-mining companies, and other data which are useful for expanding the background of any participant in the gold market.

Tracking the dollar's decline

A Persian Gulf crisis is the only barrier to the kind of free fall EIR has been predicting.

Recent commentaries have, belatedly, adopted *EIR's* longstanding view that high U.S. interest rates do not necessarily have anything to do with the dollar's exchange rate. The dollar's fall from 2.86 marks in mid-January to about 2.67 on Feb. 17, a decline of almost 7 percent, occurred despite rising U.S. interest rates and fear of further increases.

The moment that both Fed chairman Paul Volcker (as reported in *EIR* last week) and the Council of Economic Advisers stated publicly that the United States was now dependent on foreign capital inflows signaled the end of the dollar boom.

If the Soviets and their Iranian surrogates succeed in shutting the Strait of Hormuz, which now appears likely if not inevitable, the dollar will snap back, at least temporarily. Otherwise, the dollar is open to a virtual free fall. Capital inflows were not caused by high interest rates, but capital outflows will, as Volcker threatened, cause higher interest rates, the reverse of what was conventional wisdom until the beginning of February.

The deutschemark, of course, has been the principal gainer due to the dollar's weakness. In certain respects this is not surprising; the mark had fallen more than 20 percent against the Japanese yen during the past year, taking the brunt of the dollar's strength. Germany showed a DM 19 billion (\$7 billion) capital account deficit for the year 1983, according to Bundesbank data; since the country ran a substantial trade surplus, the outflow to the

dollar sector was even higher than the deficit indicates.

The fact that Japan is the oil importer most dependent on the Persian Gulf does not yet appear to have affected the foreign-exchange markets. But it is clear that the yen has the most to lose in the event of a Gulf disaster.

At the point that European portfolio managers decided to pull out of dollar holdings, short positions against the mark had to be covered, including a substantial amount of Soviet mark purchases.

Subjective decisions on the part of a handful of large foreign portfolio managers, including the Russians, will determine what the foreign exchange markets look like in the next several weeks. These gentlemen know that America is *dependent* upon foreign-exchange inflows, and, in principal, that this dependency permits them to demand any interest rate they please from the United States. Rising interest rates in the short-term do not outweigh the expectation now universal among European economic commentators that many foreign investors will decline to continue financing the United States, i.e., take their profits.

The Economic Report of the President transmitted to Congress in February 1984 contains the following startling admissions concerning the dependency of the United States on capital inflows:

"The U.S. current account deficit in 1983 was nearly three times the previous record, which was set in 1978. The immediate connotation of the cur-

rent account deficit, as of the trade deficit, is lost production in import-competing and export industries. But there is another way to look at it. The current account deficit is financed by a capital inflow from abroad. Foreigners have been investing in the United States, for example participating in the rising stock market and buying Treasury bills.

"This capital inflow has an important implication for the U.S. economy. Under the natural assumption that the capital inflow is not somehow offset by an equal decrease in domestic saving, it keeps real interest rates lower than they otherwise would be. As such, it allows those components of GNP that are especially sensitive to the real interest rate—housing, consumer durables, and business investment in plant and equipment—to be higher than they otherwise would be. Of course, the capital inflow has not been large enough to prevent real interest rates from rising since 1980. . . .

"In 1984 the U.S. current account deficit is forecasted (sic) to be roughly 40 percent the size of the federal government budget deficit. This means that a capital inflow from abroad is financing the equivalent of 40 percent of the budget deficit, and the crowding out of other sectors of domestic demand is reduced correspondingly. International capital flows of this magnitude are consistent with the increasing integration of world capital markets.

"Is the inflow of capital and the associated strength of the dollar desirable? . . . the strong dollar has substantial benefits. . . It keeps down the general price level, both directly through lower dollar prices of imports, and indirectly through lower prices for domestically produced goods that compete with goods produced abroad."

Business Briefs

Energy

Oil company shakeups portend Gulf crisis

The world's stock markets are being rocked by what the *Financial Times* of London described Feb. 15 as "merger-acquisition" fever. A scramble has begun among the oil majors to acquire "cheap" and "politically safe" oil reserves, on the assumption of a blow-up in the Persian Gulf.

To date, Texaco has bought Getty Oil for \$10 billion; Arco (Atlantic Richfield) is bidding for Gulf Oil, already the object of a takeover bid, for \$12 billion; Armand Hammer's Occidental Petroleum is planning to sell half of its Libyan concession to Sweden's Svenska Petroleum, Finland's Neste, and Austria's OeMV; Hammer himself was involved this month in a major oil deal with Yugoslavia.

"Oil company stock is massively undervalued," market sources report at a time when, in actuality, few shares are more overvalued than those of the the hyper-speculative oil companies. If there is an undervaluation, it is only with respect to the massive appreciation of oil stocks to be expected in the vent of an oil crisis.

U.S. Industry

The steel builddown accelerates further

The build-down of America's steel producing capacity was hastened by the Feb. 16 Anti-Trust Division decision to block a merger of Republic and Jones & Laughlin steel companies.

The Anti-Trust Division's action will sanction either a large-scale shutdown of Republic and J&L mills producing similar products in order to satisfy anti-trust "market share" criteria, or if the companies fail to merge, a large-scale shutdown of mills by Republic.

Two other options were offered by J. Paul McGrath, head of the Justice Department's Anti-Trust Division were to "swap" (and shut) mills in a joint venture procedure, without a formal corporate merge, or allow

a takeover by a foreign company.

The anti-trust ukase puts the administration's imprimatur on a shut-down policy already decided upon by the banks that control the steel industry. Despite Republic Steel's public fits of anguish over the anti-trust decision, the *New York Times* claims the company knew well in advance that the merger would be scotched.

The steel anti-trust action is doubly absurd since the administration has recently allowed the merger of the mammoth Getty and Texaco oil companies and because the steel trust created by the Morgan-Mellon-Hanna groups has been in undisturbed existence for half a century.

McGrath's hint that the domestic companies might escape anti-trust action if they merged with foreign companies suggests that the Justice Department is involved in shutting domestic industry on behalf of the world steel cartel initiated by the 1977 European Community's Davignon Plan.

Science and Technology

NASA to encourage industry in space

At a business briefing held in New York City on Feb. 16, National Aeronautics and Space Administration representative Bud Evans reported that policy changes will be recommended by the White House to encourage industry to do business in space. Twenty-four initiatives will be put forward which will help high technology companies to develop commercial processes and products which benefit from the unique environment of space.

The seminar, sponsored by the New York Society of Security Analysis, the Financial Women's Association, and the New York section of the American Institute of Aeronautics and Astronautics, brought together Wall Street investment specialists and the aerospace and scientific community. Evans, who came from NASA headquarters in Washington, said that possibilities for encouraging commercial ventures in space could include free flights on the Space Shuttle, seed money to companies for front-end costs, and a guarantee that the government will be the first purchaser of the new prod-

ucts, which would help guarantee a market.

To date, the most successful commercial venture in space has been a joint enterprise by the McDonnell Douglas Astronautics Company and the Johnson & Johnson Company. They are developing pharmaceuticals for the possible cure of diabetes and other chronic diseases by using an electrophoresis process that is much more efficient in space.

Other companies have begun R&D programs for space-based manufacturing. The 3M Company has announced such a long-term program in the materials processing area.

Evans reported that over 100 companies had come to his office to discuss potential commercial opportunities aboard the just-announced space station. The station, scheduled for operation in 1992, would provide a continually-manned facility.

Domestic Credit

Reagan warns Volcker against credit crunch

President Reagan met privately with Federal Reserve chairman Paul Volcker at the White House Feb. 15, columnists Rowland Evans and Robert Novak reported Feb. 17, to warn Volcker that he expects the Fed's monetary policy to accommodate real economic growth at the 4.5 percent rate the administration has forecast.

Reagan reportedly has set a deadline of the Fed's Open Market Committee meeting in March for Volcker to carry out a "perceptible monetary easing," or the administration will "ask the people whether their economic prospects should be shaped by their president or an appointed bureaucrat," Evans and Novak claim.

"Reagan won't send the Marines down Constitution Avenue to the Federal Reserve, but he seems determined to prevent the central bank from triggering another recession to calm inflationary nightmares of the creditor class," the columnists write.

Evans and Novak report that top White House staffers have come to regard Volcker "as the single biggest threat to continued economic recovery and Reagan's re-election." But, they add, "nobody in the admin-

istration is betting Volcker will accommodate the President."

For their own reasons, Milton Friedman and Treasury Undersecretary Beryl Sprinkel are also reportedly challenging Volcker.

Ibero-American Debt

Peru forced to join blocked accounts system

When portions of the new Peruvian Letter of Intent with the International Monetary Fund were released Feb. 16, it was found that Point 9 authorizes the establishment of "blocked accounts" whereby foreign debt payments are made in Peruvian soles, for "future payment" in dollars—and in the meantime sit in Peru ready to be used by the creditors to buy whatever they want in Peru.

Point 12 denies the Peruvian government the sovereign right to establish effective exchange controls. The net result of this is the legalization of the drug-linked hot-money flows which can only be halted with exchange controls.

The Black Economy

Venezuela and Colombia joint anti-drug fight

During a visit to Venezuela on Feb. 16-17, Colombian Defense Minister General Matamoros and his Venezuelan counterpart drew up an initial agreement to "coordinate efforts in the battle against marijuana production and cocaine processing on their common border, as well as drug trafficking into Venezuela."

The drug problem in Venezuela was, until the 1983 economic crisis, limited to a subsidiary role to Colombian production, as Venezuela served as a money-laundering center and traffic route to Europe. Today, the narcotics problem—consumption, production, trafficking and financial activities—is out of control. "Drugs Are All Over the Place," ran the lead headline of the Caracas daily *El Universal* on Feb. 16, reporting on testimony by the defense ministry to

a congressional commission. A government study reports that a half-million addicts now exist in Venezuela, a country of only 15 million people.

Colombian authorities have impressed upon the new Venezuelan government the need to cooperate. On Feb. 10, Colombian Justice Minister Lara Bonilla gave an interview to Venpress, Venezuela's official press agency, arguing the need for the two countries to fight this "plague that is threatening the youth of our countries and our economies."

Lara Bonilla stressed that governments have the "obligation to attack without quarter the drug traffic and the people who carry it out, those who have no country nor any feeling of nationalism, who are only motivated by profit from this criminal activity. There are international interests and organizations which operate from our territories, and from that stems the necessity of joint action among governments to combat it."

Population Policy

Helmut Schmidt on Club of Rome tour

Former West German Chancellor Helmut Schmidt addressed a gathering of Asian journalists in New Delhi on Feb. 17. The associate of Henry Kissinger and George Shultz attacked the Roman Catholic Church for its "obstructionism to effective birth control," and termed the Vatican's opposition to the Club of Rome's call for massive population reduction on a world scale an "inherited cultural obstacle" which had to be overcome.

Schmidt added a call for a new "world agreement on borrowing" which would establish strict rules as to who would be allowed access to credit and for what purposes. Should the Third World nations fail to curb excessive population growth and excessive borrowing on the world financial markets, threatened Schmidt, a world financial collapse will ensue.

Schmidt's stay in New Delhi is part of a world trip on behalf of a recently created "world population and world debt advisory group" set up at the United Nations by the Club of Rome.

Briefly

● **THE EUROPEAN** Community is on the verge of "disintegration," according to the *Financial Times* of London Feb. 17. The Community's Common Agricultural Program (CAP), which subsidizes European farm production, has already spent one third of its budget in the first quarter of this year.

● **RAYMOND BARRE**, the former French prime minister, attacked the "recklessness with which the U.S. administration has behaved concerning its budget deficit," in a speech Feb. 16. Barre stated that "there is no predicting how low the dollar could go." Barre is a leader of the Trilateral Commission and a friend of Henry Kissinger.

● **A CITIBANK PLAN** to have Brazil pay \$4 million of its debts in cruzeiros "will set an example that will be followed by many others," said a top London merchant banker. "It will be like trading with Germany before 1939: You did not get paid in convertible currency when you exported there; you got an account in inconvertible Reichsmarks and you bought things inside Germany. So, it's back to Schacht, once again, and this is only the beginning of it!"

● **FEDERAL JUDGE** Bruce Van Sickle ruled in Bismark, N.D. Feb. 18 to grant a permanent debt moratorium against the Farmers Home Administration (FmHA). A lawsuit had been filed by nine North Dakota farmers against the FmHA, which the judge expanded to cover 230,000 farmers in 44 states. Judge Van Sickle commented: "This will give the farmers a chance to get back on their feet."

● **A CONSORTIUM OF BANKS** led by First Chicago has granted \$100 million in short-term and \$200 million in long-term loans to the Philippines National Bank. The move was backed by the U.S. Eximbank, and appears to be a step toward reversing the recent credit cutoff to the regime of President Ferdinand Marcos.

The Club of Rome attempt to take over the Vatican

by Augustinus

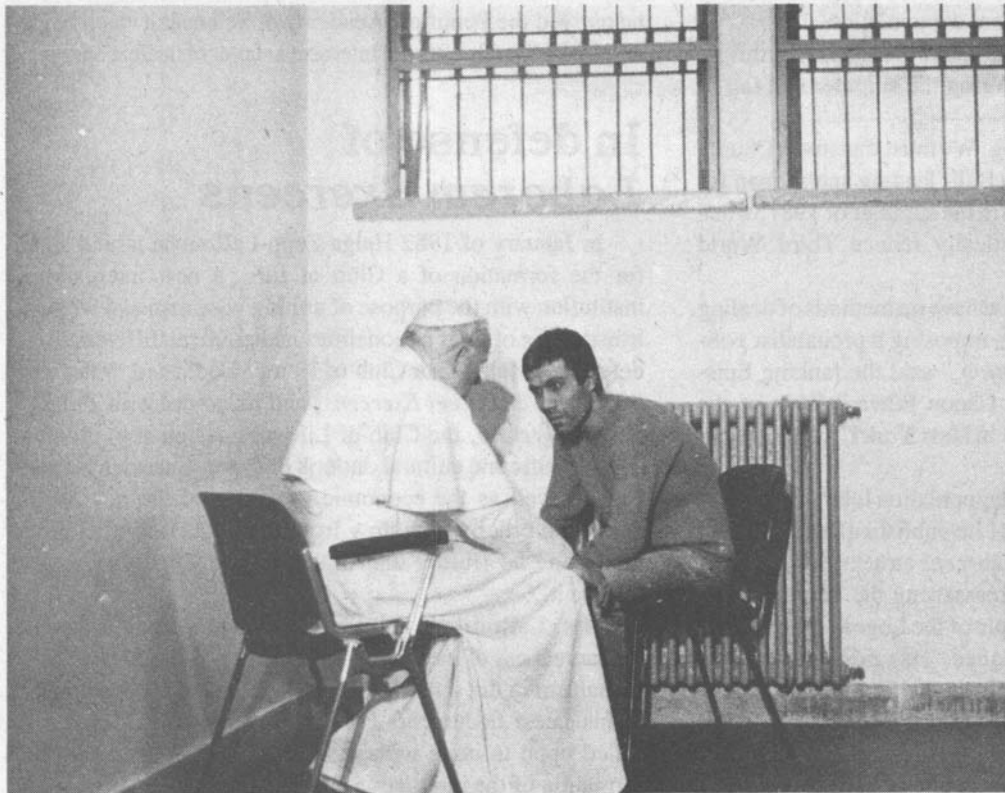
The following report was filed from Rome on Jan. 31.

On Dec. 27 of last year, at 12:10 p.m., Pope John Paul II met in the Roman jail of Rebibbia the man who, two-and-a-half years earlier, had attempted and almost succeeded in assassinating him, Ali Agca. That encounter signaled a shift in Vatican policy; it was clear, among the most watchful circles, that it was no pastoral visit of the Pope to Agca: To the prisoners of Rebibbia, the Pope had brought a new year's gift, the message of the International Day of Peace, an appeal to overcome the politics of force and hegemonic blocs, and the relaunching of East-West dialogue. For this he had wanted to meet Ali Agca and renew his pardon to him. It was said that the Pope had dispatched a dove from the cell of his would-be assassin, toward the Kremlin.

In effect, the Pope had already expressed his pardon to the Turk, several times and in a definitive manner. The meeting at Rebibbia could have but one meaning, expressed by the victim in person, who at the same time is the highest authority of the Catholic Church: that the Vatican was dropping the "Bulgarian Connection."

The meeting had been preceded by certain suspicious and very significant events in the development of the trials of the key figures in the "Bulgarian Connection" to the attempted assassination: The Syrian Arsan, at the center of the crossroads of arms smuggling between Bulgaria, Italy, and the Middle East, a key pawn in the investigations, had suddenly died, and a similar fate seems to have overtaken the Turk Bekir Celenk, an adventurer based in Sofia, and an important component of the Bulgarian Track. With Sergei Antonov, the employee of Bulgarian Airlines and Agca's suspected accomplice, released from jail and house arrest, nothing remained of the Bulgarian Connection.

The face of John Paul II in the few photographs released from his meeting with Agca shows a person marked by profound anguish. What has happened to the Pope? Analyzing the three years of his pontificate, we have asked ourselves what have been the causes which have transformed the doctrinally solid Pope of the



Pope John Paul II talks with terrorist Ahmet Ali Agca in Rome's Rebibbia jail, Dec. 27, 1983.

UPI

Laborem Exercens and the *Familiaris Consortio* into a hostage of the policy of the Curia and the religious orders.

Malthusians on the warpath

To understand the significance of the shift which Pope John Paul II is undergoing, it is necessary to go back at least to the winter of 1981. It was in February of that year that the Malthusian cabal, which is located in the Roman Catholic Church primarily within the Jesuit order, and in the non-Catholic world largely among Anglicans and the pagan grouping called the Humanist International, went public with its intention to destroy the Church. The point at issue was population policy, the code name developed by the Club of Rome to wipe out billions of non-white peoples by the year 2000 in order to "save natural resources."

In an article entitled "Population Growth and Global Security—Toward an American Strategic Commitment," which appeared in the January-February 1981 issue of *Humanist* magazine, Dr. Steven Mumford put it this way:

"Pronatalistic forces, who encourage births, must be stopped. We must adopt the antinatalistic policies that we are suggesting for rapidly growing developing countries. All government policies and laws encouraging childbirth must be changed. . . .

"It is fair to say that using the teachings of the church, the Vatican has effectively thwarted the development of and

successful implementation of population policies worldwide with the exception of the People's Republic of China. . . .

"The only hope for the American Catholic church and the American people is that the American church break away from the Roman church. . . ."

At the time Mumford wrote these words, he was working on a project commissioned by the Georgetown Center for Strategic and International Studies, the world-famous think tank of America's most prominent Jesuit university. He was also collaborating closely with Episcopalian Establishment figure Cyrus Vance, one of the primary sponsors of the Carter administration's Global 2000 policy for world depopulation, and with Vance's cohorts at the American Association for the Club of Rome.

Within months of the publication of Mumford's article the most serious shots in the Malthusians' campaign were fired. On May 13 in St. Peter's Square, a known Turkish terrorist assassin put several bullets into Pope John Paul II. Miraculously, the pontiff survived.

But the conspiracy which surrounded that assassination attempt did not halt. As *EIR* founder and leading U.S. statesman Lyndon LaRouche identified in *EIR* that June (June 2, 1982), it was the Anglican Church, functioning as a coordinating arm of an ecumenical Venice-sponsored conspiracy, that stood at the center of the assassination plot. Anglican primate Robert Runcie was at that time on an international campaign in favor of the Global 2000 genocide plan, in cahoots with the Jesuits and the Club of Rome. And the Anglicans, as LaRouche pointed out, knew very well that the

murder of Pope John Paul II could lead to the schism which they needed in order to implement depopulation.

Some of these Episcopalian agents were very forthright in their discussions with *EIR* during the summer and fall of 1981:

"The Pope is much too strong. We must transform Church policy somehow," said George Ball, leading spokesman for the U.S. Eastern Establishment in the summer of 1981, when speaking of the need to drastically reduce Third World populations.

"Given the system as it is, you have no methods of dealing with the problem [of the Pope's imposing a pronatalist policy—ed.]. *Death is the only option*," said the ranking Episcopalian in the United States, Canon Edward West of the Cathedral of St. John the Divine in New York City in October of 1981.

Pope John Paul II gave the depopulation lobby even more of a jolt when in September 1981 he published the encyclical *Laborem Exercens*. *Laborem Exercens* struck at the heart of the Malthusian conspiracy by reasserting the kernel of Apostolic Christianity—the principle of the Logos of the Gospel of St. John and of the Nicene creed. This principle, known as the *filioque* (the phrase "and from the Son" in the Nicene creed), asserts that the Holy Spirit flows from Christ, the son of God, consubstantially as it flows from God the Composer of the Universe Himself. This principle of consubstantiality in fact distinguishes man from beasts, representing man's power to bring his knowledge and practice into ever-more-perfect agreement with the lawful principles of continuing creation. By stressing the role of man as a participant in continuing creation with God, *Laborem Exercens* reasserted the epistemological core of the Christian commitment to technological and scientific progress.

As LaRouche put it at the time, the Encyclical unequivocally attacked both the "green fascist" (liberal environmentalist) doctrines of Club of Rome founder Aurelio Peccei, and the (right-wing) fascist version of austerity dogma associated with Professor Milton Friedman, from the standpoint of the most fundamental positive principles of Apostolic Christianity (*EIR*, Nov. 25, 1982).

The organizations and publications associated with LaRouche immediately provided their "full ecumenical support" for *Laborem Exercens*.

Pope John Paul II proceeded to implement the *Laborem Exercens* perspective in many areas of policy. In October of 1981 he appointed an acting replacement for the ailing Jesuit General Father Pedro Arrupe, well known as a supporter of "liberation theology" and other forms of liberal environmentalist opposition to industrial progress. The Pope's action was widely acclaimed as his taking the renegade order under his personal direction. In December of 1981 he issued an Apostolic Exhortation denouncing "studies of the ecologists and futurologists which sometime exaggerate the danger of demographic increase to the quality of life," and all attempts to impose "population policy" through conditionalities and the like—a not-very-veiled attack on the Malthusians in the Club

of Rome and international financial institutions. In December he revived the Pontifical Academy of Sciences, which began auspiciously with a strong statement in favor of nuclear energy.

In defense of *Laborem Exercens*

In January of 1982 Helga Zepp-LaRouche issued a call for the formation of a Club of Life, a new international institution with the purpose of uniting wise men and women, irrespective of their nationalities and political differences, to defeat the Malthusian Club of Rome. Dedicated to the core concept of *Laborem Exercens*, and its predecessor *Populorum Progressio*, the Club of Life was designed to promote the scientific and cultural outlook of Judeo-Christian humanism, as well as the economic programs of the new world economic order which flow from the injunction of Genesis that man "be fruitful and multiply, and fill the earth and subdue it."

Mrs. LaRouche's call for a new organization to defend the sacredness of individual human life was based on a "new humanism in the sense in which Pope John Paul II defined it in his latest document, *Familiaris Consortio*: 'Science is called upon to unite with wisdom.'" Her work toward the formation of the international organization in defense of life led eventually to a prearranged public audience with Pope John Paul II on June 30 of that year.

This kind of cooperation was exactly what the Malthusians were dedicated to preventing at all costs. The Pope had been subject to a new attempted assassination on the anniversary of the 1981 attempt, during a trip to Portugal. The threat continued to escalate over the summer of 1982.

What was especially endangered by the moves toward collaboration between the Vatican and the Club of Life was the Malthusian "fifth column" within the Church. The Club of Rome, founded by an alliance of British genocidalists, Italian black nobility, and Russian racists, had created itself a niche within the Vatican bureaucracy, and was making progress by inches in eroding the Vatican commitment to the sacredness of human life on the issues of technological progress, population, and even euthanasia. In the offices of *Justitia et Pax*, run by the Jesuits, blatant spokesmen for depopulation such as Eleanor Masini were ensconced. While LaRouche representatives were working in Rome toward the founding conference of the Club of Life in October of 1982, they became aware of regular meetings occurring between Club of Rome representatives and Vatican representatives.

Through an extraordinary effort of slander and intrigue, these Jesuit collaborators of the Club of Rome succeeded in preventing Vatican endorsement of, or participation in, the founding meeting of the Club of Life, held in Rome on Oct. 21-22, 1982.

From that point on, the efforts of the Club of Rome to emasculate Vatican opposition to depopulation became even more intense. With the aid of the oligarchical and Jesuitic

elements within the Curia, which we describe in depth below, the cultural optimism expressed in *Laborem Exercens* and *Familiaris Consortio* was steadily eroded. The Pontifical Academy, which had begun as a vehicle for promoting the coherence of scientific progress and morality, became a leading source of subversion of those concepts, until it more and more openly converged on the outlook of the Soviet-sponsored “nuclear freeze” movement.

The Club of Rome used the fact of the increasing danger of nuclear war to justify a witchhunt against science itself, in fact a witchhunt against the key concepts of *Laborem Exercens* which demanded that man fulfill his mission of subduer and dominator of the earth. One culmination point was the issuance of the U.S. Bishops’ Pastoral Letter of May 1983 endorsing the nuclear freeze; later the Vatican itself began to issue statements encouraging scientists in military research to abandon their fields of work.

The low point of this process so far was the appearance of the Papal Nuncio to Colombia on the dais at the concluding session of the Club of Rome conference on Peace and Development in Bogota, Colombia Dec. 15-17, 1983. Club of Rome founder Alexander King, who gave a major speech attacking the program for beam weapon development of the Club of Life and Lyndon LaRouche at this conference, could hardly contain his glee. When asked by *EIR* if he didn’t think that the Church’s continued commitment to pro-population policies would create an obstacle to the Club of Rome’s collaboration with Vatican loyalist Colombian President Belisario Betancur, avowed racist King said: “Well, it could . . . but we are working with the Vatican. For example, two months ago we sent the Pope a document and within two weeks we had a declaration in nearly the exact terms as our document.”

With this fact in mind, it is not surprising that there is now open discussion around the Vatican about the abandonment of the *filioque* principle itself. In the guise of reconciliation with the East, such an act would in fact remove the fundamental barrier to either a Malthusian takeover, or a split within the Roman Catholic Church—the very objective which the Anglicans, Jesuits, and their Protestant allies hoped to accomplish when they organized the assassination conspiracy against John Paul II in the spring of 1981.

It is incumbent on anti-Malthusians everywhere to intensify their support for the ecumenical principles of *Laborem Exercens*—in hopes of preventing what would be not only a tragedy for the Catholic Church, but for all mankind.

Jesuits endorse Raskolnikov

From the standpoint of Church policy, the opening to the terrorists at Rebibbia—the Pope met not only Agca there, but also the head of the Red Brigades, Moretti, and others—is an important stage in the shift impressed particularly by the Society of Jesus toward a religiosity which is fundamentalist,

fanatical, of an “Eastern” stamp. Father Gianni Baget Bozzo, the theologian of the Catholic New left, writes that “political violence in Italy did not arise from banal motives, it has had an impulse of the absolute, therefore a strong religiosity. . . . It is a religious potentiality which has gone to the roots of existence, and it is precisely because there has been a total involvement of the person in his task [assassinations, bombings, etc.—éd.] that these men can today put up with an objective torture such as a special jail, and it is for this reason that they can carry out a qualitative leap to have a very rare experience: an experience of the divine.”¹ He is evoking the homicidal fanaticism of the Dostoevskian hero Raskolnikov, who finds “faith” through the total annihilation of his own humanity, and through crime.

It was in the name of such a presumed religiosity that fanatics of the Islamic camp killed hundreds of U.S. and French troops in the bombings of Beirut last October. Even in this sector, the Jesuits were in the vanguard: Father F. Lombardi, the highly prestigious editor of the biweekly *La Civiltà Cattolica* of the Society of Jesus, writes in the Jan. 7, 1984 issue that we must begin a collaboration with the many terrorists present in the jails, “groups of persons of a not indifferent cultural background, launched on a path of self-criticism and inquiry.” It was in fact the exchange of letters between Red Brigader Enrico Fenzi and the Jesuit Adolfo Bachelet, the brother of the magistrate killed in Rome by the Red Brigades, which led to the “conversion” to Catholicism of the hardliners of the group of the original Red Brigades leader Renato Curcio, such as Alberto Franceschini, Rocco Micaletto, Franco Bonisoli, and Roberto Ognibene. Franceschini reportedly confided to his chaplain: “The only institution which talks seriously about the problem of peace is the Catholic Church and, in particular, Pope Wojtyla.”

Point man in the pro-Raskolnikov shift is the former rector of the Biblical Institute, the Jesuit Cardinal Carlo Maria Martini, the archbishop of Milan. The harbinger of this new direction was seen in the opening to the gnostic cults and pagan sects, carried out in early 1983 by a special diocesan commission in Rome for ecumenism and dialogue, presided over by Mons. Clemente Riva, who is well regarded by the State Secretariat and was recently named Secretary of the Ecumenical Commission of the Italian Conference of Bishops. From the Reverend Moon sect, to the Baha’i, to Krishna Consciousness, to the Church of Scientology, all were welcomed under the general umbrella of “religious experience.” This is also the context of the visit which the Pope made Dec. 11 to the Evangelical Lutheran Church of Christ in Rome: With such a gesture, whether the Pope understood it or not, the Vatican made a deal with what is known to be the long arm of the Stasi, the notorious secret service of East Germany, in West Germany.

Returning to the question previously posed, what happened to the Pope? What has been reported to us is that the Pope has undergone a personality change—that the Roman Curia succeeded, using his strain of Slavic mysticism, in taking all initiative away from him. The Pope of *Laborem*

Exercens, who lashed out against the Club of Rome and the zero-growth futurologists, and who spoke of space colonization as the new frontier of human labor, now appears to be a fatalist ready to be martyred. A Monsignor who sees the Pope often describes him to us as a sad man, alone and anguished over the inevitability of a future Third World War; he does not read the newspapers; he thinks that the world news is a source of pain for him, so much so that he did not want to hear about the project for stopping a Third World War through the defensive beam-weapons system of President Reagan. Kept busy all the time with audiences, which are sometimes unimportant, and often set up without his knowledge, the Pope does not write his speeches but limits himself to reading texts prepared by others, by those who really run the Vatican: Cardinal Agostino Casaroli and the Roman Curia.

The Roman Curia and the New Babylon

The Curia is the base of the papal government, the structure in which the Church of Rome is organized and governed. On Aug. 6, 1967 Paul VI reformed the Curia, with the apostolic constitution "Regimini Ecclesiae Universae"² (see box on the Curia) which substantially placed the secretary of state at the top of the Curia, transforming it into an organism of direction and control in direct contact with the pope. It is a rule, for example, that every copy of *Osservatore Romano*, before being published, must be approved by the State Secretariat, as all papal audiences must be.

One of the more important motivations of Paul VI's reform was to limit the power of the oligarchy over the Vatican. The nobility in fact boasts of very real hereditary prerogatives: The Massimo family, which traces its lineage back to the Roman Empire, has the hereditary title of Superintendent of the Vatican Post Office, while the office of Prince Attendant to the Pontifical Throne—the singular personage who stands at the pope's right during papal ceremonies wearing black velvet breeches, buckle shoes, and a sword—is by tradition entrusted to a member of the Torlonia and Colonna families. Moreover, the control of the "black nobility"—the families whose titles pre-date the formation of Italy as a nation—over Vatican finances is notorious.

But not even the reform of Paul VI changed the situation, and in February 1975 the Pope found himself forced to renew his appeal to the Curia, which was meeting in the Lateran for the Holy Year, to "verify in our heart of hearts whether our behavior really corresponds to the task entrusted to us. And how much that applies to us, who are certainly the heirs of a long and glorious history, but criticizable on many points!"

The Curia continued in its centuries-old habit of not thinking at all, hiding this under the 'old-wives'-tale that the Vatican thinks in terms of millennia. One elderly cardinal

told us: "The climate in the Curia is so static, that unfortunately we can only conclude that there would be no more need to kill the Pope; they have him in their fist." Every time the Pope wants to make a new nomination, the State Secretariat gives him a list of candidates who are all worse than the one being replaced. A prelate who is an expert in Vatican affairs confided to us: "Here, every place is a spy nest; for example, the bookstores along Via della Conciliazione, which leads up to St. Peter's, and the Leoniana bookstore near Porta Angelica are bases of information-gathering for the State Secretariat." A non-Western member of a religious order, who deals with the Secretariat every day, holds to the following maxim: "I never attack if I am not sure of destroying the adversary, otherwise I myself would be rubbed out."

'Ego Casaroliensis non sum'

"I am not a Casarolian." Thus warned the then-primate of Poland, Cardinal Wyszynski, in a harsh intervention at the Synod of Bishops of 1974, attacking the *Ostpolitik* ("East-policy") of Casaroli, the cardinal from Piacenza, at the pinnacle of the Roman Curia. Born 70 years ago in Castel San Giovanni near the industrial town of Piacenza in north Italy, Casaroli studied at the famous Cardinal Giulio Alberoni College. From there he was invited to Rome to take courses in diplomacy at the Academy of Ecclesiastical Nobles; in the 1940s he was working at the Archive of Extraordinary Ecclesiastical Affairs in the State Secretariat, which is now the Council for Public Affairs of the Church; his grey career as a diplomat was interrupted when in 1963 Pope John XXIII entrusted him with special missions to Eastern Europe to resume the contacts between the Holy See and the communist governments of the postwar period.³

Casaroli's *Ostpolitik* encountered fierce adversaries in the bishops of the Church of Silence, such as Mindszenty and Wyszynski. Until the pontificate of Pius XII, the policy followed by the bishops behind the Iron Curtain, even at the risk of their lives, was that of imposing religious isolation on Russia, maintaining a Church of Silence without consecrating new bishops, and sending in underground workers to operate clandestinely. The *Ostpolitik*, on the contrary, followed the track of making deals between the Holy See and communist governments and bypassing the local churches, often at the expense of evangelizing work. In the case of Yugoslavia, there are rumors that after the accord signed with the government Casaroli can no longer set foot in that country without risking being lynched by the local priests.

What is the real philosophical platform of the *Ostpolitik*? A seasoned publisher in the Italian capital told us a revealing anecdote: "It was 1957, a few months after the Hungarian revolt had been strangled by the Russians. The chief foreign editor of my paper, who is today a famous journalist, tele-

phoned me, hinting about strange goings-on regarding the attitude of the Church of Rome to the event. Once he got back to Rome, the journalist informed me that there had been a deal between the Extraordinary Ecclesiastical Affairs office and the forces of the Russian occupation. Stunned by such news, I decided to ask for an audience in the Vatican. I was received by an expert in Hungarian affairs who told me: 'My dear fellow, . . . Communism will beat us in the world, and therefore the Church which is above politics, must reach an accord.'

Our source continued: "The expert was then-Monsignor Agostino Casaroli."

It was from these events in Hungary that the canvas of Vatican diplomacy in the East unfurled. The latest phase is

that expressed today by Monsignor Silvestrini in Stockholm, urging the "moral mediation of the Vatican" for arms control. In the second half of November 1983, Cardinal Casaroli went to the United States to meet President Reagan, and they discussed raising the presidential interest section at the Vatican to the level of an embassy. But undoubtedly the clever Secretary of State presented a project of his own, as appeared evident when, arriving at Rome's Fiumicino airport on his way back from Washington, he announced a mission to Moscow.

On Dec. 17, before going to the U.S.S.R., the Soviet Ambassador to Rome, Nikolai Lunkov, was received by Casaroli, and the discussion must have been fruitful if, as well-informed sources reveal, "The Italian Communist Party

The structure of the Roman Curia

The Roman Curia is the oldest still-existing bureaucracy in the world, working for almost 2,000 years; more than 3,000 functionaries, laymen and clerics, work in the palaces of Vatican City.

At the pinnacle of this government, which has citizens throughout the world, is the **State Secretariat**, which oversees all the departments of the Roman Curia. Among the most important are the nine Holy Congregations, which are actually ministries.

The head of the State Secretariat since 1979 has been Cardinal Agostino Casaroli, who also directs the Council for the Public Affairs of the Church, the actual Foreign Office of the Vatican. Mons. Achille Silvestrini is its secretary.

Among the most important Congregations are:

The Holy Congregation for the Doctrine of the Faith, founded in 1542 by Paul III to defend the Church against heresies; in 1908 Pius X called it the Holy Congregation of the Holy Office, of which a special section was the Index Librorum Prohibitorum (Index of Prohibited Books). In 1965 Paul VI reformed it and changed its name. The Congregation functions like a tribunal where actual trials on crimes against the faith are carried out. The Prefect is Cardinal Joseph Ratzinger, the archbishop of Munich, a conservative; he is said to have been one of the great electors of the Pope.

The Holy Congregation for the Eastern Churches is in charge of bishops, the clergy, and the religious orders and the faithful of oriental rites, in the following regions: Egypt, Sinai, Erithrea and Northern Ethiopia, Southern Albania, Bulgaria, Cyprus, Greece, Iran, Iraq, Lebanon, Palestine, Syria, Jordan, Turkey, Thrace under Turkish

rule, and Afghanistan. The Prefect of the congregation is Cardinal Wladyslaw Rubin, who is also president of the Cyril and Methodius Foundation; together with the cardinals the congregation is run by the patriarchs in communion with the Roman Catholic Church.

Among the Secretariats one of the most active today is that for the **Union of Christians**, founded in the 1960s by John XXIII, who initiated "ecumenicism." The Prefect is Cardinal Johannes Willebrands, a noted exponent of the Dutch heresy and its Jansenist roots, who recently left Utrecht to devote his full time to the project of union with the other churches at the expense of the Augustinian tradition.

Among the Commissions the most influenced by the Club of Rome is the **Pontifical Commission Iustitia et Pax**, created by Paul VI in 1967 with the aim of dealing with questions of development, peace, and justice. Its president is Cardinal Bernardin Gantin, an African who has been responsible for opening the commission to Malthusian infiltrations and the Club of Rome; up to one year ago Eleonora Masini, the right hand of Aurelio Peccei in the Club of Rome and a fanatical advocate of population reduction, worked there as a consultant. Still working on the commission is Dr. Anthony Chullikal, an Indian who, besides sharing the ideas of his intimate friend Masini, supports the growth of sects and cults. Another collaborator of the commission was the late aristocrat Lady Jackson, Barbara Ward, a ferocious foe of industrial development.

Linked to this Commission is the **Pontifical Council "Cor Unum,"** founded in 1971. This council was supposed to concern itself with the development of the Third World. Instead, it became a nest of zero-growthers involved in programs of reducing Third World populations. Among the consultants to it are Caritas Internationalis, Catholic Relief Services, Misereor, and the Sovereign Military Order of Malta.

leader who was visiting Moscow at the same time, Gerardo Chiaromonte, transmitted unusual words of esteem to John Paul II for his peace initiatives when he got back to Rome. The message was from Boris Ponomarev, who is in charge of relations with the Western communist parties."

That something concrete is being discussed is revealed by the fact that Cardinal Glemp, the Primate of Poland—a person close to the Pope, and whom no one would suspect of being pro-Moscow—is rumored to be planning a trip to Moscow which would be organized by the Russian Orthodox Church's Patriarch Pimen, and has in a recent speech attacked the NATO deployment of U.S. Euromissiles, without mentioning the Soviet SS-20s! Has Cardinal Glemp perhaps been "normalized" as a *quid pro quo* in anticipation of an upcoming opening of official relations between Moscow and the Holy See? "The Vatican has sealed an accord with Moscow," an expert in East-West relations told us. "According to this deal, the United States must disappear from the face of the earth; once the American strategic-military power no longer exists, they say around the State Secretariat, the danger of a nuclear war can be eliminated. The reflections of this strategic change in Moscow would correspond to a greater and greater shrinking of the influence of the military, and the communist regime which is already in crisis would crumble, leaving room for the real Russia, that of the samovars, wooden houses, and the Russian Orthodox Church."

What is this if not the Carrington-Andropov accord for a "New Yalta"? In such a context would be located the unilateral "peace" campaign of Cardinal Bernardin of Chicago, aimed to shift the Catholic vote away from President Reagan and toward Walter Mondale. How is it possible that a consummate diplomat like Cardinal Casaroli could really believe that the Soviet Union, with its marginal strategic superiority, would respect pacts with Lord Carrington and Hans-Dietrich Genscher? Dried up by decades of pragmatist *realpolitik*, and reared in the school which believes that the Catholic Church survived all the other barbarians, and converted them, the Secretary of State is a cynical mind, a man who has cashed in heavily on his own power. It is no accident that his protégé, Mons. Achille Silvestrini, secretary of the Council for Public Affairs of the Church, is called the "Kissinger of the Holy See"; these two were the principal saboteurs of the activities of the Club of Life in the fall of 1982.

The Third Rome and the Fatima prophecy

In March 1983 there was an international seminar in Rome on the theme, "From Rome to the Third Rome," where the role of Moscow as the Third and Final Rome was discussed; as *EIR* has documented, it is not a matter of a mere academic discussion, but of the present ruling philosophy of the Kremlin leadership, devoted to fulfilling the centuries-old prophecy that Moscow would succeed Rome and Con-

stantinople as the capital of a third and final world empire.

We have already seen how Casaroli's *Ostpolitik* has a precise meaning in the context of imperial designs by the Russian military dictatorship. We shall now analyze the Western translation of this prophecy, the cult of Fatima.

According to the widely shared interpretation of Fr. Ennio Innocenti, in his book *Messaggio della Madonna di Fatima*,⁴ in the course of 1917, the Madonna appeared to three young shepherds near Fatima in Portugal, and communicated to them a series of messages for the world and the Catholic hierarchy. The Virgin prophesied great calamities for the world, because of the degeneration into which the Catholic church had fallen. Russia would be the scourge, the instrument of God, to punish sinning humanity. As Father Innocenti writes, a few months after the first apparition of the Madonna, the Russian Revolution broke out, but since neither humanity nor the Catholic hierarchy repented, communist Russia made itself responsible for the outbreak of the Second World War. This is the content of the first two secrets supposedly confided by the Madonna to the three poor shepherds.

The third secret message, which was never officially revealed, but is well known, says "A great war shall be unleashed in the second half of the 20th century. Fire and smoke shall fall from the sky, the waters of the oceans will turn to steam, and the foam will heave up and drown everything. Millions and millions of men shall perish from hour to hour, and those who remain living, will envy the dead. Anywhere one's eyes are turned, there shall be anguish, misery, ruin in all countries. You see? The time is coming closer and closer, and the abyss is widening without hope. The good will perish together with the bad, the great with the small, the princes of the church with their faithful, and the rulers with their peoples. There shall be death everywhere because of the errors made by the foolish and because of the partisans of Satan, who then and only then will rule over the world; finally, when those who shall survive anyway will still be alive, they shall proclaim again God and his Glory, and will serve him as once upon a time, when the world was not so perverted. Go, my child, and proclaim this. To this end I will always be at your side to help you."

Russia, in the Fatima prophecy, plays a key double role. On the one hand, it is the scourge chosen by God to punish humanity (expansion of communism, persecution of the Catholic church, the Antichrist), and on the other it is the land which must be converted, the center of the new evangelization and the new church. Within such an apocalyptic vision, the attempt on the life of the Pope, which occurred on May 13, 1981, the day of the first apparition of the Madonna of Fatima to the shepherds, is seen as an important confirmation that the time of times and the end of all ends is drawing nigh. In substance, both the Third Rome prophecy and that of Fatima, although on two different levels, forecast a call for the supremacy of Russia over a corrupt and degenerate West. Is this not perhaps the *Ostpolitik* of Casaroli?

Kolvenbach: The Jesuits choose the East

With the election, in October 1983 in Rome, of the new General of the Society of Jesuits, Father Hans Kolvenbach, the Jesuits have once again shown themselves to be ahead of the times. The primary reason for his choice was the decision of the Society to elect as their "black pope" a man of the East.

Father Kolvenbach was born 55 years ago in Holland of

a Calvinist family, but he is more oriental than European, in his studies and vocation. In fact he spent most of his life in Beirut, his adoptive city, where he finished his studies and was elected the provincial head of the local Society of Jesus; it was during his ecclesiastical studies in Beirut that, following his passion for the East, he asked and obtained permission to be accepted into the Armenian rite. This makes him the first General of the Jesuits in the history of the order who belongs to an Eastern rite. Father Kolvenbach was never a

The latest evil deeds of the Jesuits

The Society of Jesus, architect of the Vatican's opening to religious fundamentalism and to jailed terrorists, is operating simultaneously on other fronts:

May 1983: The Jesuits open to the freemasons. Father Franco Molinari, S.J., teacher of history at Catholic University in Milan, stated: "The freemasons are no longer accursed brethren: They are blessed because they participate in the seventh beatitude . . . the slow but inevitable path toward the 'omega' point of universal fraternity constitutes also the luminous line that runs through the entire Bible, from which masonry and church both take their marching orders."

May 1983: The Jesuits attack beam weapons, their magazine *Civiltà Cattolica*. Father Giuseppe De Rosa, S.J., defined the new defensive system announced by President Reagan as an example of a crazed arms race.

July 1983: Father Francesco Giunchedi in *Civiltà Cattolica*, appeals for homosexuals not to be excluded from the church, because their dramatic condition is "an expression of the mystery of human pain."

In the following number of the same review, Father Enrico Baraglia maintains the need to abolish censorship of films, proposing that the public showing of "adult" films, even on television, not be subjected to any form of censorship, to protect young television viewers. Fr. Baraglia proposes instead a "prohibition on programming such films on TV before 10 o'clock at night and the posting of this prohibition in all public information materials."

October 1983: *Civiltà Cattolica*, in anticipation of the opening of the Synod of Bishops in Rome, heavily criticized the liturgy of the confession, counterposing a "social" conception of sin, through which the individual has no guilt, since it is society which induces him to sin. This crime was a forerunner to the famous appeal to recruit repentant terrorists into the ranks of the Society of Jesus,

launched by *Civiltà Cattolica* in the Jan. 7 issue of the present year (see accompanying article).

October 1983: a professor of the Jesuit Gregorian University, Klaus Dammer, proposes the transplanting of heads on new human trunks.

Who are the Jesuits?

According to 1980 figures, the order numbered 27,027 members, of which 1,160 were in Africa, 5,751 in the United States, 1,874 in Central America, 2,806 in Latin America, 4,551 in Asia, 348 in Oceania, and 10,527 in Western and Eastern Europe. In Europe, the biggest concentration of Jesuits is in Spain where there are 2,646, Italy follows with 1,915, and Belgium with 862. Obviously these figures are underestimated, given the existence of many Jesuits who do not wear clerical garb (terrorists, directors of newspapers and TV networks, etc.).

In Rome, the headquarters of the General Curiate of the Order is in Borgo S. Spirito, near the basilica of S. Pietro. It is there that the conclaves of the Black Pope are held. At its disposal are:

- a house of the General Fathers in Grottaferrata, near Rome;
- the Pontifical Gregorian University;
- the Pontifical German-Hungarian College;
- the magazine, *Civiltà Cattolica*;
- the centers "For a Better World" and the "Oasis Movement" at Rocca di Papa;
- the Pontifical Latin American College;
- the Pontifical Institute of Ecclesiastical Studies for the Poles;
- the Pontifical Biblical Institute;
- the Pontifical Institute of Oriental Studies;
- the Roberto Bellarmino College;
- the Pontifical Russicum College;
- Vatican Radio;
- the Vatican observatory at Castelgandolfo;
- the Brazilian College;
- the International College of the Gesù;
- additional Roman buildings which belong to the Italian Provinces of the Society of Jesus.

man of the Curia or linked to the group of the "Roman" Jesuits, such as Father Dezza and Father Pittau, John Paul II's temporary appointees to run the order in 1981. It is his Eastern connection that is clearly his principal qualification for the job. He is a grey eminence, counsellor of politicians, ecclesiastics, patriarchs, and of the Secretariat of State itself. Father Kolvenbach was, until his recent election, the rector of the famous Oriental Institute, the Jesuit-run center of the studies and initiatives of the Catholic Church toward the East.

The Armenian rite in which Father Kolvenbach celebrates the mass and which is the ordering of the official prayer, the norm of the liturgical action fixed by the ecclesiastical authority, is a mixture of Byzantine and Antiochan liturgies, and in part, an original product of the Armenian ethnic community. The language used is ancient Armenian from the fifth century A.D. The Armenian Church is monophysite. It believes in a single nature in Christ, and it does not recognize the universal concept of the Church, but bases its own identity on the idea of the local church—i.e., there are as many churches as there are patriarchs. Although it agreed to the union with the Latin church at the Council of Florence, the Armenian church considers the primacy of the pope in Rome as purely honorific.

In fact, the Jesuits are now actively planning a "Council of Florence in reverse," where the Eastern and Western churches would re-unite by mutually agreeing to drop the *filioque* from the creed. The Council of Florence of 1439-41 was the meeting at which the Golden Renaissance, based on the idea of progress, was launched as an international movement, precisely because at that council the great Cardinal Nicolaus of Cusa and his co-thinkers in the Augustinian tradition imposed the acceptance of the *filioque* on the Eastern Orthodox Church and other Eastern churches, as the precondition for unity.

The accelerating eastward tendency has been marked also by the inclusion over recent decades of many patriarchs of the Eastern churches in communion with the Roman Church as non-voting members of the College of Cardinals. It would not be unthinkable if in the near future one of these patriarchs were elected Pope, as a step toward the unification of the Western and Eastern churches—but under Moscow's domination.

A member of an Eastern religious order put it this way after a discussion on the encounter between the Pope and Agca: "I found myself in the Third Loggia of the Vatican Palace, in that wing of the corridor from which one sees a stupendous panorama of Rome, and responding to my interlocutor, I said, 'Until all this is razed to the ground, and the basilica of St. Peter's falls in ruin, until the entire history of the Western Catholic Church in the West and its memory has been canceled, there will be no hope for the Church. We must destroy this New Babylon, and return to the roots of Christian Europe.'" These anti-Western spiritual "roots" were those against which the heirs of St. Augustine fought when they established the introduction of the *filioque* into the creed.⁵ That this is the present tendency of the Roman Curia is shown

by its current abandonment of the *filioque*. In a recent discussion on the factors of cultural diversity between West and East, one of the leading experts on the Council of Florence denied that the *filioque* had played any part—even though he was a Catholic priest.

Vienna: the current *Mittleurop*ean shift

Last September during his trip to Vienna, John Paul II gave several speeches in which for the first time he introduced the favorite themes of the ideology of *Mittleuropa*: 1) the conception of one Europe of the cathedrals with its own origin and coherence, with an autonomous and unified cultural tradition from East to West, without barriers; 2) a profoundly theocratic political conception where conflicts between states and blocs become wars of religion. "There are cases," the Pope said, "in which armed struggle is an unavoidable evil from whose tragic circumstances not even Christians can escape. But also in this case the imperative of love for the enemy is binding." An extreme case of this attitude is represented by the traditionalist "Lepanto" group to which Prof. Jerome Lejeune of the Pontifical Academy of Sciences is linked. Against the Islamic fundamentalism of a Ben Bella or a Khomeini, the Lepanto fanatics say, we shall unleash a new Christian fundamentalist crusade; 3) a more or less open aversion to industrialization, a theme dear to the Cardinal Archbishop of Vienna, Franz König, a man very close to the Club of Rome. In this context, the Pope presented as a model the poet of *Mittleuropa*, Rainer Maria Rilke.

The resurgence of this "Mid-European" Hapsburgian tendency is a sign that the Church of Rome is included in the accord among Britain's Lord Carrington, West German Foreign Minister Genscher, Italian Foreign Minister Andreotti, and the men in the Kremlin, to split Europe from the United States and dissolve the existing European nations. What would survive would be nothing but the religiously defined geographical expressions (Lutheran, Catholic, and Orthodox churches), linked to a "Europe from the Atlantic to the Urals," without national frontiers, and with the ferocious spirituality and constant religious wars that characterized Europe from the fifth to the eighth century A.D.

In such a scenario, the Catholic religion would be completely transformed into a fundamentalist cult of oriental mystical characteristics, around the figures of the three patrons of Europe, St. Benedict, St. Cyril, and St. Methodius. We read in the book of Father Jiri Maria Vesely, one of the foremost pro-Eastern authorities in the Vatican today, that: "Only in the most recent times have we become aware of how Western Catholic Christianity in its human, visible structure, remained substantially Latin, Roman. . . . One of the consequences was that the Slavic world seemed not to have ever existed: only John XXIII spoke Bulgarian and celebrated in the Byzantine-Slavic rite. The liturgy became an end, exclusively Roman in its ultimate forms. . . . it was

rather reduced to an imperative human dialogue, 'Da nobis, Domine, quaesumus,' [Give to us, Lord, we beseech] whereas in the liturgy of the Eastern Churches there has always been the sense of loving submission to the divine, to the mystery."⁶ It is hard not to be struck by the centuries-old hostility toward the Latin Church, guilty of having developed overly "human" forms of liturgy, when, in describing the functioning of the Western Catholic Church, Vesely writes that "the juridical mechanism replaces love, and brotherhood, *agape*: The code of canon law replaced the Gospel. . . . Thus, Dostoevsky conceived of his Grand Inquisitor."

In this context, the concept of ethnicity, the minority whose spontaneous and true popular culture lashes out against the "totalitarian" Church of Rome, becomes the central form of identity replacing the idea of human responsibility for completing the work of creation embodied in the *filioque*. The negation of the universality and Westernness of the Church, in the tradition of St. Augustine, coincides, in such a vision, with the rejection of the *filioque*, by the Slavic and Moravian church of Cyril and Methodius: the Cyrillic-Methodian clergy, which grew up in the midst of the great theological debate on the *filioque* of the ninth century, did not provide for the use of the *filioque* in the creed.

Having thus abolished the link between God and man, nothing is left as a mediator between us and God but "a woman, a mother, and in the first place," as Vesely writes, "our Mother. For every Christian this lady-mother is Maria. To go back to Mary means, therefore, to return to the roots: to the one, holy, universal and apostolic Church of the Son." The Catholic Church, therefore, is no longer "Roman" as in the correct reading; therefore, if Peter is no longer in Rome, he must be in the Third Rome, Moscow. John Paul II, in 1980, on the 150th anniversary of the patron of Europe, St. Benedict, wrote the apostolic letter *Egregiae Virtutis*, in which he called Cyril and Methodius, the Slavic monks who converted Eastern Europe to Christianity, also patrons of Europe.

It is in this context that the descent of the Habsburgs on Rome in the first week of January this year is to be located: Zita of Hapsburg, widow of the Emperor Karl, the father of the living Otto, was received in a very private papal audience with 31 members of the family.

The press made a point of recalling that the Pope is also a subject of the Holy Roman Empire.

Notes

¹ G. Baget Bozzo, "Un segno divino," in *L'Espresso*, Feb. 22, 1984.

² G. Zizola, *Quale Papa?* Borla, Roma, 1977.

³ John XXIII, Angelo Roncalli, was the pope who launched the opening to Moscow—witness his intimacy with the Metropolitan of Leningrad, Nicodin, who was very close to the KGB. These ties went back to his activity as Apostolic Visitor to Sofia, where the future Pope learned fluent Bulgarian and chose the Slavic-Byzantine rite. Those ties were evidenced even more in the context of the Cuban missile crisis, when

exponents of the Pugwash movement, meeting at the Dartmouth conference on Oct. 23, 1962—the Dominican Felix Morlion and Norman Cousins of the World Federalist Movement—revealed a secret channel to John XXIII which was functioning as "mediation" between Kennedy and Khrushchev.

⁴ E. Innocenti, *Il Messaggio della Madonna di Fatima*, Carroccio, Padua, 1981.

⁵ The *filioque* doctrine was developed by St. Ambrose and St. Augustine in 400 A.D., was officially presented at the Council of Toledo in 675, and was rendered obligatory by Pope Benedict the VIII in 1012. It was only at the Council of Florence in 1439 that the Latin Church and that of the East reached union, temporarily, on that ancient controversy.

⁶ Jiri M. Vesely, *Scrivere sull'acqua, Cirillo, Metodio e l'Europa*, Milan, Jaca Book, 1981.

'Technology is the ally of man'

Pope John Paul II's encyclical Laborem Exercens, issued in September 1981 and quoted here, was an eloquent exposition of the necessity for man's creative development through labor and technological progress.

Through work man must earn his daily bread and contribute to the continual advance of science and technology and, above all, to elevating unceasingly the cultural and moral level of the society within which he lives in community with those who belong to the same family. And work means any activity by man, whether manual or intellectual, whatever its nature or circumstance; it means any human activity that can and must be recognized as work, in the midst of all the many activities of which man is capable and to which he is predisposed by his very nature, by virtue of humanity itself. Man is made to be in the visible universe an image and likeness of God himself, and he is placed in it in order to subdue the earth. From the beginning therefore he is called to work. Work is one of the characteristics that distinguish man from the rest of the creatures, whose activity for sustaining their lives cannot be called work. Only man is capable of work, and only man works, at the same time by work occupying his existence on earth. Thus work bears a particular mark of man and of humanity, the mark of a person operating within a community of persons. And this mark decides its interior characteristics; in a sense it constitutes its very nature.

The Church finds in the very first pages of the Book of Genesis the source of her conviction that work is a fundamental dimension of human existence on earth. An analysis of these texts makes us aware that they express—sometimes in an archaic way of manifesting thought—the context of the mystery of creation itself. These truths are decisive for man from the very beginning, and at the same time they trace out

the main lines of his earthly existence, both in the state of original justice and also after the breaking, caused by sin, of the creator's original covenant with creation in man. When man, who had been created "in the image of God . . . male and female," hears the words: "Be fruitful and multiply, and fill the earth and subdue it," even though these words do not refer directly and explicitly to work, beyond any doubt they indirectly indicate it as an activity for man to carry out in the world. Indeed, they show its very deepest essence. Man is the image of God partly through the mandate received from his creator to subdue, to dominate, the earth. In carrying out this mandate, man, every human being, reflects the very action of the creator of the universe. . . .

The development of industry and of the various sectors connected with it, even the most modern electronics technology, especially in the fields of miniaturization, communications and telecommunications and so forth, shows how vast is the role of technology, that ally of work that human thought has produced in the interaction between the subject and object of work (in the widest sense of the word). Understood in this case not as a capacity or aptitude for work, but rather as a whole set of instruments which man uses in his work, technology is undoubtedly man's ally. It facilitates his work, perfects, accelerates and augments it. It leads to an increase in the quantity of things produced by work and in many cases improves their quality. . . .

If the biblical words "subdue the earth" addressed to man from the very beginning are understood in the context of the whole modern age, industrial and post-industrial, then they undoubtedly include also a relationship with technology, with the world of machinery which is the fruit of the work of the human intellect and a historical confirmation of man's dominion over nature.

The structure of the present-day situation is deeply marked off by many conflicts caused by man, and the technological means produced by human work play a primary role in it. We should also consider here the prospect of worldwide catastrophe in the case of a nuclear war, which would have almost unimaginable possibilities of destruction. In view of this situation we must first of all recall a principle that has always been taught by the church: the principle of the priority of labor over capital. This principle directly concerns the process of production: In this process, labor is always a primary efficient cause, while capital, the whole collection of means of production, remains a mere instrument or instrumental cause. This principle is an evident truth that emerges from the whole of man's historical experience. . . .

Working at any workbench, whether a relatively primitive or an ultramodern one, a man can easily see that through his work he enters into two inheritances: The inheritance of what is given to the whole of humanity in the resources of nature and the inheritance of what others have already developed on the basis of those resources, primarily by developing technology, that is to say, by producing a whole collection of increasingly perfect instruments for work.

'Nature is degraded by the violence of man'

The attitude of Laborem Exercens is directly opposite to that of the Club of Rome, whose anti-science, not anti-war, attitude is clearly evident in the quotes of its most prominent spokesmen.

Alexander King, a founder of the Club of Rome, delivered a speech on "The Arms Race and Development—Waste and Want," Dec. 15-17, 1983 in Bogotá, Colombia at the Club of Rome-sponsored conference entitled "Development in a World of Peace."

While war and extensive violence are seen as monstrous examples of man's inhumanity to man, there is insufficient attention paid to such activities as criminal waste of resources—human, material, cultural, and energy. Even in times of peace, the building of armaments consume enormous quantities of human resources and materials which are thus not available for purposes of constructive development. It is stated that the diversion of even half of the military budgets of peacetime, to development objectives, would make possible the solution of most of the world's economic and many of its social problems, not only of the Third World, but also of the industrialized countries. It is difficult to understand how the world can tolerate this waste of resources in the face of extensive hunger, poverty, and underdevelopment which themselves generate violence and war. One can go further and state that the arms buildup causes in peacetime, albeit indirectly almost as much hardship and human suffering as war itself. . . .

The causes of war and the motivations which trigger it appear to be unchanged over the millennia, as apparently also does the human wisdom which orders our affairs, but the power of the weapons in the hands of aggressive men has multiplied a million-fold. This is the kernel of our predicament and the reason to fear for the survival of the human race.

Club of Rome chairman Aurelio Peccei spoke at the same event:

If we closely consider the dominant position that humanity has uncontestedly acquired on the planet, we can remind ourselves that the complex of violence which served [man] so well in the past, during the process that was necessary to affirm himself in that way, currently no longer serves and can even constitute a danger for that same [humanity]. When humans were few, weak, and on the defensive, it was natural to utilize all the means at their disposal—including pure and simple violence—to win the competition with other stronger species (and also to subject less prepared elements of their

own species). . . . This was the path of man to take control of the planet. . . . Now that he has conquered all and has submitted all the other species to his dominion, and besides has more knowledge and power than he needs or knows how to use, to maintain his stellar position with the use of violence could signify simply destroying what is already his and *finally*, in a moment of aberration, destroying himself also. . . .

To understand these new conditions dictated by its position of domination in the world, it is necessary for humanity to make a true cultural revolution. . . . The time at our disposal grows less each year; to liberate humanity from its current fatal complex of violence is a historic task . . . which we cannot simply pass on to those who follow us. . . . We must find . . . other means of freeing humanity from the fatal spiral of violence. I dare to propose that we examine in depth the possibility of giving precedence to the planetary relations of humanity (increasingly more numerous, powerful, and demanding) with its natural environment, emphasizing the degradations and devastations that nature has already suffered as a result of the violence of man and the even greater violence it will surely suffer in the future.

'Humanity is helpless to resolve existing tensions'

When we turn to the Pope's most recent statements, we find that they have turned 180 degrees away from the cultural optimism of Laborem Exercens, which argues that man can basically solve any problem through his God-given role of dominator of the earth. Instead, the Pope is now expressing extreme pessimism and dependence on mystical qualities of sympathy, womanhood, and solidarity which have been the specialty of the Jesuit opponents of the Judeo-Christian ethic.

"From a New Heart Peace is Born," Message for the World Day of Peace, Jan. 1, 1984:

Although the tension between East and West, with its ideological background, monopolizes the attention and fuels the apprehension of a great number of countries, especially in the northern hemisphere, it should not overshadow another more fundamental tension between *North and South* which affects the very life of a great part of humanity. Here it is the question of the growing contrast between the countries that have had an opportunity to accelerate their development and increase their wealth, and the countries locked in a condition of underdevelopment. This is another gigantic source of opposition, bitterness, revolt or fear, especially as it is fed by many kinds of injustice.

It is in the face of these enormous problems that I propose the theme of a renewal of "heart." It may be thought that the proposal is too simple and the means disproportionate. And yet, if one reflects well on it, the analysis outlined here

permits us to go to the very depths of the problem and is capable of calling into question the presuppositions that precisely constitute a threat to peace. Humanity's helplessness to resolve the existing tensions reveals that the obstacle, and likewise the hopes, come from something deeper than the systems themselves. . . .

The disorder of the heart is notably the disorder of the *conscience* when the latter calls good or bad what it intends to choose for the satisfaction of its material interests or its desire for power. Even the complex nature of the exercise of power does not exclude that there exists always the responsibility of the individual conscience to the preparation, beginning or extension of a conflict. The fact that responsibility is shared by a group does not alter this principle.

But this conscience is often solicited, not to say subjugated, by *socio-political and ideological systems* that are themselves the work of the human spirit. To the extent to which people allow themselves to be seduced by systems that present a global vision of humanity that is exclusive and almost Manichean, to the extent that they make the struggle against others, their elimination or enslavement the condition of progress, they shut themselves up within a war mentality which aggravates tensions and they reach the point of being almost incapable of dialogue. Sometimes their unconditional attachment to these systems becomes a form of power-worship, the worship of strength and wealth, a form of slavery that takes away freedom from the leaders themselves.

But I say again that peace is the duty of everyone. The *International Organizations* also have a large role to play in order to make universal solutions prevail, above partisan points of view. . . . In short, everyone, all men and women, must contribute to peace, contributing their particular sensitivities and playing their particular roles. Thus *women*, who are intimately connected to the mystery of life, can do much to advance the spirit of peace, in their care to ensure the preservation of life and in their conviction that real love is the only power which can make the world livable for everyone. . . .

Positive signs are already piercing the darkness. Humanity is becoming aware of the indispensable solidarity which links peoples and nations, for the solution of the majority of the great problems: employment, the use of terrestrial and cosmic resources, the advancement of less favored nations, and security. The reduction of arms, controlled and worldwide, is considered by many a vital necessity. There are many calls to use every means in order to banish war from the horizon of humanity. There are also many new appeals for dialogue, cooperation and reconciliation, and numerous fresh initiatives. The Pope is anxious to encourage them. "Blessed are the peacemakers!" Let us always unite clearheadedness with generosity! Let peace be more genuine and let it take root in man's very heart! Let the cry of the afflicted who await peace be heard! Let every individual commit all the energy of a renewed and fraternal heart to the building of peace throughout the universe!

Dominoes are toppled in the Middle East

by Muriel Mirak and Mark Burdman

While American political life becomes increasingly dominated by election-year politics, and contrived public opinion polls threaten to command greater executive attention than matters of strategic concern affecting the fates of entire nations, the United States government is witnessing the annihilation of its influence over the Middle East. Through the combined efforts of Henry A. Kissinger's strong-arm tactics and front-running Democratic candidates' appeasement policies to the new Soviet leadership, Middle Eastern nations are toppling like dominoes under massive Soviet pressure, in what must be characterized as the most humiliating strategic backdown in postwar history.

The first domino to fall is the nation of Lebanon, whose economy and population have been decimated through years of civil war ignited in 1975 by Henry A. Kissinger. Following the resignation of Prime Minister Shafiq Wazzan earlier this month, the Reagan administration announced its intention to withdraw its ground forces to battleships off the Lebanese coast, and rendered the unexpected withdrawal official on Feb. 16, when the President put his name on an executive order to bring the troops back home. Reagan's move, prompted by the congressional lobbying organized by Speaker of the House Tip O'Neill, effectively pulled the rug out from under the fragile Amin Gemayel regime and opened the way for opposition Druze and Shi'ite militias to escalate their military push against the capital. The Soviets and their proxy forces moved in for the kill.

Militarily, the week following the U.S.-announced pull-out saw the successful drive of the Druze militias to join their allies in the Lebanese Shi'ite Al Amal militias in Beirut

and march southward against positions held by the Lebanese Army. Faced by a Soviet-armed Shi'ite-Druze offensive, the weakened Lebanese forces splintered, up to half defecting to the opposition while the rest retreated behind Israeli lines.

In Washington, while official government spokesmen reiterated ritual promises to maintain American military presence as long as necessary, the Marines continued boarding ships. Shelling from offshore, the United States kept up the posture of some engagement, but, in the absence of a credible ground force commitment, could do nothing to halt the onslaught of the Muslim offensive. Meanwhile, on Capitol Hill, duly elected public officials hung their heads in feigned regret, mumbling that the current rout brought back memories of the 1979 fall of the Shah of Iran.

The politics of appeasement

There is no military rationale for the backdown of U.S. Marines to a coalition of tribal groups (no matter how well armed by the U.S.S.R.) like those led by Druze Walid Jumblatt or the Al Amal Shi'ites. If Reagan had heeded the policy initiatives proposed more than a year ago by Democratic presidential contender Lyndon LaRouche to send a force of 100,000 Marines to Lebanon, Lebanon might have had hopes today of maintaining its national integrity. As the situation stands, the nation is fast being chopped up into a federation of tribal units or cantons, as one Israeli analyst put it, "an Israeli section, a Druze section in the Chouf mountain regions, the Syrian areas in the north and east, and something we are calling 'Beirut, D.C.' like Washington, D.C."

The only rationale behind the debacle is that of appease-

ment. Gemayel, faced with a government crisis and an American pullback, is fighting for his survival, offering up to the mad dogs in the Syrian-backed opposition camp what morsels remain to him. First, Druze leader Jumblatt had pressured Gemayel to tear up the May 17 agreement with Israel regarding foreign troop withdrawals, but, when Gemayel acquiesced, Jumblatt asked for the Lebanese president's head. "Gemayel may be trying to save his neck," said the Socialist International leader. "There will be no mercy for him. He must be tried, he and the other officers for all the crimes they have committed." Jumblatt's hardline position remains that Gemayel must either resign, to be tried, or "commit suicide."

In further attempts to appease the Hitler-worshipper Jumblatt, the Lebanese President undersigned an eight-point program prepared for him by Saudi intermediaries. The program calls for canceling the May 17 accords with Israel, establishing a ceasefire, progressive withdrawal of all foreign troops, security arrangements for Lebanon, new Geneva talks, Lebanese structural reforms (allowing greater Muslim political control), security for southern Lebanon, and the replacement of the Multinational Peacekeeping Force by a United Nations contingent. In short, Gemayel agreed to turn over his nation to the Soviet Union, its Syrian and Druze allies, and certain forces within Israel. But still the Syrians rejected the eight-point program.

What Gemayel may be left with, as one political analyst put it, is "one square meter of Beirut." More realistically speaking, he will probably be swept out entirely, once he has overseen the creation of the balkanized federation, and be replaced by one of Jumblatt's candidates for presidency, Suleiman Franjeh or Raymond Edde. As we go to press, Gemayel has left the presidential palace and is widely thought to be preparing to flee the country.

Relations between the nascent Lebanese cantons and the Soviets are expected to duplicate those binding the U.S.S.R. and Syria.

Saudi Arabia, Israel next?

The second domino slated to fall in the appeasement game is Saudi Arabia. Pressured by the raging Gulf war on the one side, and the Soviet push in Lebanon on the other, the Saudis, in the absence of a credible American policy, are eager to mediate. Talk has been rife of impending diplomatic relations between the Saudi government and Moscow.

Next comes Israel. Capitalizing on the U.S. troop withdrawal, which Israeli Prime Minister Yitzhak Shamir claims he was previously not informed of, the adventurist Kissingerian faction led by Minister without Portfolio Ariel Sharon is moving to grab all it can as Lebanon is carved into chunks. Shamir himself announced that, due to the abrogation of the May 17 agreement, Israel would have to guarantee its own security in Southern Lebanon, which translates into a declaration of permanent occupation leading to annexation of the area. Following the Druze-Shi'ite push south, the Israelis

even ventured deep into the north, pushing beyond the Awali River toward the city of Damur.

But what about the Soviets? one is prompted to ask. On the one hand, the new Soviet party chief Konstantin Chernenko reportedly issued a warning to Shamir, through the Israeli Communist Party delegation in Moscow, to the effect that were Israeli to engage in further military actions on Lebanese soil, the U.S.S.R. would not stand idly by. But on the other hand, Moscow is making a deal with Tel Aviv, behind the threats. As one well-informed journalistic source in Israel revealed, Shamir has been fooled into believing that Chernenko is an amiable interlocutor who would be willing to allow emigration of many of the hundreds of thousands of Soviet Jews clamoring to leave for Israel.

With the internal economic crisis exploding, the Israelis are being urged to look to the U.S.S.R., as a source of increased population, to compensate for the flow of emigration out of the troubled country. According to well-informed sources, Shamir has asked Jewish leaders in Europe and the United States to "cool" their hostile attitudes toward the Soviet Union, in order to allow an agreement on Soviet Jewry to be negotiated through the good graces of Edgar Bronfman of the American Jewish Congress. The prime minister seemed to confirm these rumors when he announced his desire both to bring the Soviets into the Middle East negotiations and his intention to establish diplomatic relations with Moscow.

The new Stalin

The illusion under which the growing ranks of appeasers in the Middle East, Europe, and Washington are suffering is the media's lie that the new Soviet leader Chernenko is a peace-loving moderate, bent on resurrecting détente. The truth of the matter is that the man raised to the summit of Soviet power after Andropov's demise is a butcher, an anti-Semite, and a warmonger.

Biographical information published in Europe shows Chernenko as the head of the notorious Stalinist machines which carried out the purges. Chernenko, in addition, is the man behind the recent spate of anti-Semitic hate literature by Lev Korneyev, that has inundated the Soviet press over the past months (see *EIR*, Feb. 14).

More fundamentally, as overall Soviet policy has underlined emphatically in the Middle East, Chernenko is but a figurehead for the Soviet military junta which has been in power at least since last August. That military junta is committed to forcing Reagan to a strategic confrontation during the current year. The Middle East is but one confrontation hotspot on the map of Moscow's strategists.

That is the nature of the beast which fools think they can appease.

The European appeasement faction

In Europe, which is already under the threat of an imminent Soviet surgical strike, the crowd of appeasers working

under NATO Secretary-General-elect Peter Carrington and his business partner Henry Kissinger is stepping up efforts to deal with Moscow. First Maggie Thatcher, once dubbed the Iron Lady, found her way to Hungary, then to Moscow, and declared that life behind the Iron Curtain was not so distasteful after all. On her return from Andropov's funeral she led the pack in calling for improving relations between Europe and Moscow. Close on her heels were West Germany's Chancellor Helmut Kohl, French Foreign Minister Claude Cheysson, and his Italian counterpart Giulio Andreotti.

While all these European leaders have swallowed the line that Moscow is now ready to pick up nuclear arms-control talks, it is specifically around the U.S. debacle in the Middle East that they have issued calls for an "independent European policy." It was the French government which proposed to the U.N. Security Council that the currently deployed multinational forces be replaced in Lebanon by a U.N. contingent, despite the fact that the Soviet conditions laid down for such a shift were tantamount to total capitulation. The Soviets demanded, in fact, that the United States withdraw completely, moving its naval forces out of shooting range, and that it vow never to interfere further with internal Lebanese affairs! In short, what the Soviets have brought to the bargaining table is a stacked deck of cards, in a game where the winner takes all.

The rationale of peace

In the middle of the Lebanese crisis, Egyptian President Mubarak and Jordan's King Hussein traveled to Washington for a series of talks with President Reagan. What Mubarak presented the U.S. administration was a peace package which, if acted on, could open the way for global peace in the area (see article, page 34). Emphasizing in his comments to the press that the Lebanese situation could not be adequately dealt with until the "basic problem" of the Palestinian question were resolved, the Egyptian President urged Reagan to recognize the Palestinian Liberation Organization (PLO) as the only legitimate representative of the Palestinian people. Through the painstaking diplomatic efforts of the Egyptians, Yasser Arafat, after his release from Tripoli in December, conferred with Cairo and, according to Mubarak's comments, modified its hard-line position on Israel. Mubarak stated his conviction that the PLO would drop its commitment to destroy Israel, thus laying the basis for mutual recognition of the two parties. The presence of King Hussein in the talks at the same time signaled the fact that Mubarak had previously arranged for the PLO to participate in peace talks alongside the Jordanians.

What Mubarak offered Reagan was essentially a bid to revive the Reagan Plan in a modified form allowing for PLO recognition.

But the administration did not pick up on the offer. Instead, the pullout was given official sanction, Israel cried "treason" at both Reagan and Mubarak, and the dominoes began to fall.

Egypt's Mubarak tries

by Linda de Hoyos

The Reagan administration's reported dispatching of Henry Kissinger to the Middle East on Feb. 16 for negotiations between Syria and Israel on the Lebanon crisis does not bode well for the administration's response to the offer brought to Washington Feb. 14 by President Hosni Mubarak of Egypt and King Hussein of Jordan. Mubarak came with a proposal that could give the United States a way out of the impasse in Lebanon. Instead of focusing exclusively on the Lebanese disaster, the Egyptian president stated, the United States must bring its power to bear to solve the Palestinian question, which, he indicated is the root cause of the Lebanon crisis.

Mubarak's proposal for negotiating the Palestinian issue is based on a July 1982 French initiative which calls for the "mutual and simultaneous" recognition of the PLO and Israel. Mubarak also called for direct negotiations between the Palestinian leadership organization and the United States.

Mubarak is reported to have told Reagan that the United States' response to this initiative will determine whether there is any hope for the moderate Arab countries to withstand the Soviet-sponsored fundamentalist offensive led by Syria, Libya, and Iran.

Mubarak also cautioned that the success of a comprehensive approach to Mideast peacemaking will depend on "Israel as a whole," and the willingness of Washington to break with the 10-year legacy of Kissingerian crisis management. The response from Israel is not encouraging. Israeli Foreign Minister Moshe Arens issued the strongest denunciation of Egypt since the 1979 Camp David Treaty, including an implicit threat to reoccupy the Sinai. Speaking before the Conference of Major American Jewish Organizations on Feb. 16, Arens declared that "Sinai has been turned over to the Egyptians, but whether there is commitment in Cairo for long-term, stable, peaceful relations between the two countries we're not quite sure. . . . Hearing some of things being said by President Mubarak in the last days, as defense minister, I've got something to worry about. I can't discount the large build-up on the southern border."

"We do not consider Arafat a moderate," was the tack taken by Israeli Prime Minister Yitzhak Shamir. The presence of Henry Kissinger in the region can only contribute to the intransigence coming from Jerusalem.

Excerpts from the interview conducted with President Mubarak in the Washington Post Feb. 15:

to reverse disaster

Q: Egypt has not seemed to play an active role in the Lebanon crisis. Is the outcome there of no special interest to Egypt?

A: The point is, this crisis in Lebanon was started by the Israeli invasion. I told [former Israeli defense minister Ariel] Sharon and the Israelis several times: Don't ever think of invading or rendering an attack on Lebanon. I told them this will not come to an end.

Q: What was their response?

A: They said there were terrorists—you know, the same words about terrorism and terrorists. But I advised them several times, told them please make a good estimation, an evaluation, otherwise it will be a disaster. They didn't listen.

I told the Americans, at that time Secretary [of State Alexander] Haig, it will be the greatest mistake if you didn't persuade the Israelis not to invade Lebanon, and if there is any terrorist action this should be dealt with independently; but an invasion of Lebanon, this will never solve the problem. Look what has happened now.

Q: Do you think the Americans gave the Israelis a green light?

A: I can't tell you that they have a green light or not, but it's a mistake. The invasion is a mistake.

Q: What needs to be done right now in respect to Lebanon?

A: I think the first thing is an initiative from Israel to withdraw completely. I said when [former prime minister Menachem] Begin was in power, I told him that I was told by some elements that they are considering to make an initiative to withdraw to the international border. This will be a good help.

There should be a starting with the Palestinian problem, which is the core of the whole problem, after finding a way with the linkage between [Jordanian King] Hussein and [PLO chairman Yasser] Arafat.

And this shouldn't be delayed until we solve the Lebanese problem; it's all one package deal: complete withdrawal, starting to move on the Palestinian problem, finding a way for the decreasing of the settlements because that's going to complicate the whole thing. Then the Syrian presence should be dealt with among the Arabs. They should be persuaded to ask Syria to withdraw also from Lebanon.

Q: And you think that will work?

A: With the cooperation of all efforts, I think this would work.

Q: Is there still a necessary role for the American multinational force in Lebanon, and did you discuss that with President Reagan?

A: The withdrawal of these forces now would be a disaster. You are going to lose the confidence of all your friends in the area. You should be an umbrella—withdraw and replace your forces with the UNIFIL [United Nations Interim Force in Lebanon]. A complete Israeli withdrawal, I said, a move in the Palestinian problem, strengthening the Lebanon armed forces and in this way you could bring in the United Nations forces instead; it will be a good approach.

Q: To bring in the U.N. requires the cooperation of the Soviet Union. Does that now seem to you to be possible?

A: I think at the beginning the Soviet Union didn't agree. But nowadays, the head of the Soviet Union agrees, on some condition. But a dialogue with the Soviet Union could come to a good conclusion for replacing the multinational forces with UNIFIL.

Q: Did you and President Reagan think about this the same way?

A: I talked with the administration. I think they have the same thought. . . .

Q: You received PLO chairman Arafat last month and you have been urging the United States to meet with him. Why should the United States meet with him if the PLO does not first recognize Israel?

A: Have you read the Fez resolution of the Arab summit? Article Number 7. Do you remember what it says? It's a recognition of Israel, co-existence with Israel.

Q: By shadows, implicit, not by words. Did you find Mr. Reagan sympathetic to your urging him to meet with the PLO?

A: We discussed the whole thing, but this depends upon the Israelis as a whole. You know, Kissinger has stated some commitments not to make contact with Arafat some time ago. I think the United States is stuck to this. Without a dialogue with Arafat, it will be very difficult to come to a resolution.

Q: Is Mr. Arafat ready, as Egypt earlier was ready, to sit down with Israel and negotiate a peace?

A: I think the PLO is ready, in a delegation with King Hussein, to negotiate the problem. This is what we discussed with Mr. Reagan. King Hussein is going to coordinate with Arafat so as to come out with a joint delegation for negotiations.

Q: How is that initiative proceeding? Because when I was in Amman a few days ago, I found that the PLO was being very careful, avoiding decisions.

A: I think they're going to meet with King Hussein in the very near future. We will try to help in this. I think Hussein is doing his maximum just to make this coordination with Arafat. This is the only way now.

Q: Did you find President Reagan sympathetic to this initiative?

A: President Reagan wanted this kind of coordination. He listened to our views.

Behind the Sharon coup threat in Israel

by Mark Burdman

More than half a dozen leading Israeli strategists have expressed enthusiastic agreement with *EIR* founder Lyndon H. LaRouche's Feb. 5 declaration that Israeli Minister without Portfolio Ariel Sharon should "retire from politics" and that the majority of Israelis would favor Sharon taking a permanent vacation from the political scene. The statement appeared in the Feb. 21 issue of *EIR*.

"I agree with LaRouche," a Tel Aviv insider said, "except that he underestimates how much people hate Sharon here. We hold Sharon personally responsible for destroying everything this country stood for with his invasion of Lebanon. It is the first war we have ever lost."

At least one Knesset member, Mordechai Virshubsky of the small Shinui Party, has called on the Shamir government to kick Sharon out of the cabinet, because of his actions in Lebanon. Two new books have appeared in Israel documenting how Sharon deceived the parliament and cabinet in June 1982, in extending the parameters of Israel's invasion way beyond the earlier agreed-on 40 kilometer limit. A top judge in the Commission of Inquiry that published a report in February 1983, detailing Sharon's responsibility for a brutal massacre of Palestinians in the Sabra and Chatila refugee camps of Lebanon, has declared that Sharon has no right to be a member of a government of the State of Israel. Yet, despite all this, the "Sharon danger," as one Israeli source labeled it on Feb. 13, is growing every day.

This is making the byzantine occupants of the Kremlin enormously happy. Sharon's invasion of Lebanon of June 1982, arranged with then-U.S. Secretary of State Alexander Haig and former Secretary of State Henry Kissinger, was the biggest boon to the interests of the Soviet Union and their Nazi International comrades in the Middle East in the post-World War Two period.

On Feb. 10, the widely read Israeli daily *Ha'aretz* ran a "game" of what a military coup in Israel would look like. An Israeli journalist told *EIR* Feb. 13: "This was put out because of fear of Sharon. The article implies clearly, and will be understood in this way by anybody reading it, that Sharon is doing something. Sharon is making all kinds of flamboyant statements, and there is a feeling in many circles in Israel that the Lebanon invasion was in any case a cold coup, since it was run by Sharon and Chief of Staff Eytan behind the back of [prime minister at the time] Begin."

Hardly had the catastrophe of Beirut dawned on the Israeli's Feb. 6-7 than Sharon suddenly announced that he would be challenging Prime Minister Shamir for the candidacy for the premier position of the ruling Herut-Likud Party in anticipation of new elections some time during the next months.

The announcement was a "signal" that Sharon, who is hated by wide segments of the Israeli population, was moving immediately for control over the reins of policy, under conditions of gravely worsening economic crisis in Israel and the collapse of the Israeli strategic position in the Middle East.

A Sharon "cold coup" over Israeli policy may indeed crystallize sooner than most people think. On Feb. 15, French television quoted Shamir himself advocating "participation of the Soviet Union in talks in the Middle East" and announcing that diplomatic contacts have been "established" between Moscow and Jerusalem-Tel Aviv. Such contacts had been initiated in Cyprus in December 1982, by Sharon, in secret sessions with high-level officials of the Soviet military intelligence, the GRU.

The test of Sharon's policy influence will be Israel's posture toward Egypt in the days following Egyptian President Mubarak's trip to Washington. While policy differences with Egypt can be understandable, what is ominous is that Israeli sources began starting Feb. 14-15 to talk in private of a possible "reoccupation of the Sinai" to counter the effects of Mubarak's diplomacy in Washington. "Mubarak is looking for trouble," an Israeli source who had served under Sharon in the attack on the Sinai during the October 1973 Arab-Israeli war told *EIR* Feb. 14. "If he keeps ignoring the Camp David agreement we signed, that will be the safest way to lose the Sinai. He's treading a dangerous path."

This source dismissed a Feb. 13 statement by Egyptian Foreign Minister Hassan Ali to the Israeli paper *Maariv* reaffirming Egypt's commitment to Camp David as "fun and games."

A fact of Israeli political life is that several powerful members of the cabinet—including Shamir himself, but also Defense Minister Moshe Arens and Minister of Science and Technology Yuval Neeman—were violently opposed to Israel's evacuation of the Sinai in the first place. A Feb. 12 *Jerusalem Post* op-ed warns against an Israeli school of thought which "bewails the fact that we gave up Sinai and thus missed the chance of building 'the third Jewish Empire.'"

Why France's defense cannot be 'decoupled' from the alliance

by Laurent Rosenfeld

French political leader Jacques Cheminade, a collaborator of *EIR* contributing editor Lyndon LaRouche, declared in a statement issued in February that the defense of France cannot start on the Rhine river but has to begin "on the Elbe and the Fulda rivers"—the border with the Warsaw Pact. France cannot, in other words, draw a "Maginot Line" around its own territory (known in French military parlance as the national "sanctuary"); its defense is bound to the defense of Western Europe and the Atlantic Alliance as a whole.

The current global strategic crisis, the intensity of Soviet pressure on Europe to "decouple" from the United States, and the drive to develop anti-ballistic missile defense capabilities on the part of the United States and Soviet Union, have combined to trigger an urgent debate in France over the increasingly obvious vulnerability of the nation's independent nuclear deterrent, the *force de frappe*. Although not a participant in NATO's military command structure, France remains politically and strategically a member of the Atlantic Alliance, and is probably today one of the most reliable allies of the United States. The resolution of the current debate therefore has crucial bearing on the security of the alliance generally.

Cheminade, the Secretary General of the Parti Ouvrier Européen (POE—the European Labor Party) and chairman of the France et son Armée (France and its Army) committee, warned against the possibility of a Soviet conventional surgical strike against the north German state of Schleswig-Holstein, in the direction of the Danish Jutland peninsula and of the Danish straits that close off the Baltic Sea, where an important chunk of the Soviet fleet is based (in Kronstadt). In order to dissuade the Soviets from such an adventure, Cheminade declared, the deployment of an American armored battalion and the possible deployment of an English paratroop regiment are good symbolic measures (since they create a "tripwire" in addition to that provided by the West German army, the Bundeswehr), but are still grossly inadequate. Therefore, Cheminade called for a reintegration of French forces into the Western posture and proposed a series

of immediate and longer-term measures, which we detail below.

Although there are some "Maginot Line" adherents, like Gen. Pierre Gallois, who nurture the illusion that France, could somehow maintain its precious independence if the Soviet Union did launch an attack, most military analysts realize that France's nuclear missiles would present little obstacle if the U.S.S.R. decided to risk such an adventure. Even more of a delusion is the idea that French forces could do anything against the Warsaw Pact's 170 divisions.

This means that the defense of France cannot be decoupled from that of Germany, in particular. Along with Cheminade, many political and military leaders have recently emphasized this strategic reality. Among them are "new philosophers" André Glucksmann and Bernard-Henri Lévy, the former chairwoman of the European Community, Simone Veil, and actor Yves Montand. All four of these called for stationing nuclear weapons in West Germany. In the view of many political commentators, including Glucksmann, there is presently an informal agreement on that subject between opposition leader Jacques Chirac's Gaullist Rassemblement pour la République party (RPR) and a large section of the ruling Socialist Party, including president François Mitterrand and Defense Minister Charles Hernu.

In order to understand the current debate and the defense tasks which France confronts, it is necessary to review the reasons for France's withdrawal from the NATO military organization in 1966-67.

De Gaulle vs. McNamara

The main strategic problem for France and for other European countries in the 1960s originated from the adoption in the United States of the Mutually Assured Destruction doctrine and, even more, of its later "flexible response" variant. If the MAD doctrine had already introduced a dangerous concept of *assured vulnerability* (since it took as its premise that no nuclear war would ever be fought—an assumption quite contrary to Soviet military doctrine), what Robert

McNamara's "flexible response" meant for Europe was essentially the loss of the American nuclear strategic umbrella. It meant that the U.S. commitment to defend Europe was no longer reliable, or that, if the United States were to defend Europe, the territory of Europe would be obliterated in the process. It is easy, in that framework, to understand why some European countries contemplated decoupling or even surrendering in any showdown with the Russians.

General de Gaulle was not ready to accept this option. He therefore decided to withdraw from the NATO structure, which was imposing this option on Europe, and to put the French strategic forces then becoming operational on a return to a deterrence doctrine based on massive retaliation. Officially, the idea was of course to make a non-flexible "nuclear tripwire," independent from the United States and other NATO countries. The policy of "deterrence of the weak against the strong" meant that if France were attacked, it would release the entirety of its nuclear arsenal against the large cities of the attacker. France was not, of course, in a position to win a war, but it could make the consequences of such a war so unpleasant to the attacker that the cost of the attack would vastly exceed its expected benefits. In order to stress the "independence" of the French deterrent, the doctrine of *tous azimuts* ("aimed in all directions") was promoted, to indicate that any country threatening France would be so targeted, not only the Soviet Union.

However, the truth of the matter was slightly different. When de Gaulle decided in 1966 to leave NATO (effective in 1967), he made clear that this did not mean any kind of neutrality, but that France remained a full-fledged member of the Atlantic Alliance. The French *force de frappe* was the expression of France's political will to immediately raise the dimension of an attack to the strategic level, and thereby to force the United States to respond at that same level; in other words, its aim was to function as a tripwire for the American deterrent. Here is what de Gaulle said to a group of prominent military leaders in the late 1960s: "I can't buy a full gun, but, with my *force de frappe*, I can put my finger on the Western nuclear forces."

Thus, the meaning of the *tous azimuts* expression was in fact that the *force de frappe* was targeted against the Soviet Union, but was, at the same time, aimed politically against U.S. Eastern Establishment figures such as Gen. Maxwell Taylor, Defense Secretary Robert McNamara, National Security Adviser McGeorge Bundy, Henry Kissinger, James Schlesinger and others who were controlling the State Department, the Pentagon, other sections of the Kennedy and Johnson Administrations, and NATO.

The force de frappe today

Corollary to de Gaulle's decision to develop an independent strategic capability was his decision to simultaneously develop so-called "tactical" nuclear warfare forces, in order to develop a war-fighting capability able to offer a deterrent and to protect France from threats and blackmail in the inter-

national strategic poker game.

Although some generals and other strategists (such as Gen. Pierre Gallois and High-Frontier supporter Marie-France Garaud) have been playing with the idea of a "full sanctuarization" of the French national territory and that of a "complete independence," i.e. decoupling from the United States, it is clear to most politicians and experts that the French *force de frappe* is meaningful only in the context of the alliance with the United States and other countries of the Western Alliance. This has become increasingly true. If not obsolete, the French nuclear forces are becoming more and more vulnerable to a Soviet first strike.

The French forces today

To summarize the French nuclear capabilities, France presently has:

- Eighteen intermediate range ballistic missiles whose silos are based in the Plateau d'Albion (in the southeast of France). Today's S3 missiles have a single one-megaton warhead and a range of 3,500 km (slightly over 2,100 miles), which is enough to reach the western part of Soviet Union, including Kiev, Moscow, and Leningrad. Although their silos and warheads have been recently hardened, they would be immediately destroyed by a Soviet first strike.

The army reorganization

The current reorganization of the French Army will enable it to function more effectively as part of the Western military alliance, according to a statement by Gen. Herve Zwingelstein, chief of the Department of General Studies of the French General Staff Feb. 17.

"It has been decided, while keeping our freedom of action and our full autonomy of decision," he said, "to clear up any ambiguity, vis-à-vis our partners, on our capability to engage in fighting, extremely early if need be, and thus to concretize the solidarity which links us to our European partners. . . . Before an American reinforcement in Europe could come from the United States, the French Army provides the reserve, the second echelon, of the alliance."

This statement was made on the occasion of the relocation of the French Third Army Corps Command headquarters from the Paris area towards the North into the city of Lille. Together with the two other army corps stationed in eastern France and in West Germany, the main battle corps of the French Army is now much more forward-based than it was before. The other important unit, the 50,000-man Rapid Action Force, is also organized in order to intervene primarily in Germany. The current reorganization also implies that the main command structure has been shifted from the static "military region" type to the more mobile "army corps" concept.

● Five nuclear missile-launching submarines presently operational, plus a sixth one, the Inflexible, due to be operational in early 1985. The first five submarines now have 16 M-20 missiles each (with a one-megaton warhead each and a range of 3,500 kilometers), i.e., a total of 80 warheads. Equipped with 16 new M-4 MIRVed missiles (with six 150-kiloton warheads), the Inflexible will have 96 warheads, more than the five other submarines together. Four of these five submarines will then be renovated and fitted to carry the M-4 missiles. Even with the enhanced M-4 missile (which has a 4,000 km range), these submarines share the weaknesses and limitations of the American Polaris submarines: If detected, they are vulnerable to a Soviet strike performed with SS-20s (which have a range of 5000 kilometers plus).

● The Mirage IV-A strategic bombers, which are quite obsolete. In order to be able to reach targets in the western Soviet Union and return, they would need in-flight refueling, which would make them tremendously vulnerable (not to speak of the vulnerability of the KC-135 Boeings supposed to refuel them). Presently equipped with free-fall bombs, they should be fitted soon with an air-to-ground middle range missile (ASMP); this missile can fly 300 to 400 kilometers at Mach 3 to 4. With this missile, the Mirage could make a good tactical nuclear bomber, but still probably not a strategic bomber.

Then there are the tactical nuclear forces, which include:

● The Mirage III-E and Jaguar tactical bombers (to be replaced by Mirages 2000) and the Navy's Super-Etendards. Both of these will also be equipped with ASMP missiles.

● The Pluton tactical nuclear missiles, with a range of 120 to 150 kilometers. These missiles are presently stationed in eastern France, from where they can reach only West German targets. The only intelligent use of those would be to base them forward, near the "Iron Curtain," where they could play a role against a Soviet blitzkrieg. However, there is one serious limitation: There are only 42 launchers and about 120 missiles (the launchers can be reloaded), which makes their use very limited. They are supposed to be replaced (but in seven to eight years only!) by the Hades missiles, whose range is about 500 kilometers.

To summarize the situation, the French nuclear forces constitute at this point no reliable deterrent, but they could provide considerable firing power against a Soviet adventure, provided some measures are taken in order to: 1) integrate them more in the Western disposition; and 2) reduce their present vulnerability.

An emergency program

An emergency program to improve France's defenses would immediately include forward deployment of the "nuclear artillery regiments," the Plutons, in such a way that they contribute to the defense of West German territory, rather than threatening its annihilation. These should obviously be supported by the relevant anti-commando troops. In order to be able to stop a Soviet blitzkrieg without risking the destruc-

tion of Germany, these Plutons should be armed with neutron warheads. At the same time, the heavy artillery tubes (155 mm howitzers and cannons) should also get neutron shells. France has developed the neutron bomb, but its industrial production has officially been delayed, although most analysts believe that at least small quantities of them are ready. Mass production of neutron bombs is necessary and, if this takes too much time, France should consider an agreement with the United States whereby the U.S. administration would temporarily supply neutron bombs. It is to be noted here that in order to make a credible defense of Western Europe, a minimum of 5,000 neutron bombs is required (while the United States has so far produced only about 1,000).

Other initiatives to be taken, by France as well as by the other European countries and the United States, include a reinforcement of anti-tank warfare capabilities (including anti-tank missiles, fighting helicopters, and battle tanks), as well as anti-aircraft defense.

As far as France is concerned, the French tactical nuclear bombers (Mirage III and Jaguar), as well, possibly, as the so-called strategic bombers, should be deployed for fighting missions in Central Europe, specifically for strikes against the Soviet second echelon of forces.

Further, an urgent renovation and reinforcement of the strategic arsenal is needed. This implies:

● implementing an immediate program of civil defense capable of protecting the population against nuclear bombing, specifically, in the short term, against the fallout incurred by a counterforce strike;

● making operational as soon as possible the Inflexible submarine and accelerating the fitting of the other submarines to the new M-4 MIRVed missiles;

● accelerating the production schedule for the planned Hades missile systems, whose range allows them to strike against the Soviet second echelon;

● launching a military space program in order to provide as soon as possible observation satellites, and, in the longer term, to carry anti-missile beam weapons;

● developing laser-weapon point defense, in order to protect specifically the Plateau d'Albion intermediate range ballistic missiles and the Ile Longue (in Brittany) submarine base against a Soviet first strike. Before the beam weapons become operational, these strategic locations should be defended with American-built Patriot missiles equipped with nuclear or neutron warheads. While not offering foolproof protection, these Patriots could make a Soviet surgical strike much more uncertain and difficult.

As for the French "strategists" who seriously contemplate defending France on the banks of the Rhine and sacrificing its West German ally—without even being smitten with the remorse that could have tugged at Edouard Daladier's conscience after his Munich betrayal—they not only violate France's honor, but also jeopardize its defense and place Europe at the mercy of the Soviet Union. Soviet agents would behave no better.

The Kissinger China card worked to Moscow's advantage

by Richard Cohen

Beginning with the June 1982 insertion of longtime Kissinger collaborator George Shultz as Secretary of State, and with the immediate covert introduction of former Secretary of State Henry A. Kissinger himself as a principal factor in State Department policy and personnel decisions, Kissinger and his accomplices have been obsessed with masterminding a replay of his 1971-72 strategic efforts.

Those efforts, hailed as the magical performances of a profound statesman, represented the most tragic disaster in U.S. post-war history. Indeed, the series of initiatives which Kissinger now seeks to repeat—his opening to Moscow dramatized in the May 1972 Nixon-Brezhnev summit and SALT I arms control agreement, the February 1972 Nixon China visit, and the Aug. 15, 1971 global monetary reorganization—were the instruments by which Kissinger, modeling himself on the evil Metternich, would seek to buy time for a dying supranational Western empire.

A centerpiece of Kissinger's efforts would be to destroy the military and industrial foundation of the national governments of the West and the nationalist forces within them, while leveling the same assault on the developing-sector trading partners of these nations.

Ironically, to ensure the rapid decline of the Western powers, Kissinger's "magic" was staked on an essential deal. This deal would give the Soviet empire a decisive strategic margin through agreement in the SALT I and 1972 Anti-Ballistic Missile (ABM) Treaty, in exchange for Soviet "restraint" in seizing the opportunities created by the Kissinger-led assault on the West and the developing sector. It was codified in the oft-repeated phrase resurrected in the context of Soviet violations during the 1970s—the "code of détente."

As Kissinger stated explicitly in his April 1983 *Parade* magazine interview, his operation depends on obtaining a "major negotiation" with the Soviet Union. As early as October 1982, Kissinger had targeted spring 1984 as the date for a Reagan summit with the Soviet leadership. As a first priority in securing such a deal with Moscow, Kissinger and his allies have undertaken to torpedo President Ronald Reagan's strategic rearmament program and his March 23, 1983, demand for American ballistic-missile defense systems. Rea-

gan's plan not only threatened to reassert U.S. national independence from the rigged game set in motion by Kissinger in 1971-72, but also threatened to reverse the key part of Kissinger's gift to Moscow: strategic superiority.

In addition to reversing this "Reagan revolution," Kissinger would promote a rebirth of the "China card" policy. But the new China card would be a mere hope of mildly pressuring Moscow in anticipation of a major U.S.-Soviet negotiation. Hoping not to antagonize a Soviet Union whose hardware advantage over this nation had grown substantially since the 1970s, Kissinger would at the same time move to allay Moscow's fears about China, fears reflected in a consensus of the U.S.S.R.'s China experts in 1975, who offered a radically new assessment of long-term Soviet China policy. The experts concluded that the technologically suffocating Maoist domination would shortly end, and that the new Chinese leadership would seek a long-term modernization program integrating the most advanced technologies. It was projected that some time between the 1990s and the turn of the century, a Chinese modernization effort could rapidly be translated into a formidable military concern.

The technology transfer question

Thus, to please Moscow, Kissinger and his cohorts have moved to restrict the profile of U.S. technology transfer to Peking so as to contain the growth of a Chinese industrial base which might, in 10 to 20 years, be capable of supporting a modern military.

This orientation has already been underwritten by the leading lights of the Pugwash disarmament group, operating under the auspices of the Atlantic Council, which in October 1983 issued a major policy document entitled "China Policy for the Next Decade." Kissinger Sovietologists, including William G. Hyland, Brent Scowcroft, Helmut Sonnenfeldt, and Winston Lord (head of the New York Council on Foreign Relations) participated in the formulation of the proposal. While supporting the standard recent U.S. policy of selling defensive weapons to Peking, the authors of the report warn that in helping China to modernize, the United States should "recognize this course involves a degree of risk, since a

strong Chinese industrial base could be used in the future for military purposes not consistent with our national interest.” To quash these fears, a broad study should be conducted to identify and quantify the probable impact of Western technology on China’s industrial base. Under the heading of “Transfer of Dual Use Technology”—an area of most intense Chinese interest—the report urges that “technologies which make a direct and significant contribution to nuclear weapons and their delivery systems, electronic and anti-submarine warfare, and intelligence gathering,” should continue to be withheld.

While President Reagan would agree with these restrictions on technology transfer to China, his motives—as noted in the preceding article in this series—were not those of Kissinger, who aimed at appeasing Moscow, and also at steering Chinese development in the direction of extractive industries and “appropriate technologies.”

Kissinger had moved into the middle of China policy soon after his early meetings with the new Secretary of State. Then in October 1982, clearly operating on behalf of Shultz in the aftermath of the August 1982 Joint Communiqué on Taiwan, he spent 12 days in China with NBC reporter David Brinkley, engaging in high-level meetings with government and Communist Party officials. By this time Kissinger had already penetrated the principal trade and technology concerns of Peking by becoming a paid consultant to the Hong Kong-based firm Evergreen, Inc., a front for P.R.C. foreign trade interests. Then, on Dec. 31, Winston Lord organized and chaired a “summit” on China policy which involved a broad array of Pugwash-linked China experts at the State Department in preparation for Shultz’s February 1983 trip to the People’s Republic.

Before Shultz left, Kissinger took to the op-ed page of the Jan. 30 *Washington Post* to restate the principal purpose of U.S.-China relations, “obtaining the right price from Moscow,” while also praising President Reagan’s “concessions” to Peking in the August 1982 Taiwan agreement. Shultz’s trip (along with an April 2 secret trip to China by Kissinger to meet with Chinese Foreign Minister Wu) paved the way for Secretary of Commerce Malcolm Baldrige’s successful May agreement with Peking on technology transfer. The nominal agreement on high-technology transfer to China was the price Kissinger had to pay in order to obtain a choreographed U.S.-P.R.C. summit before his then-expected spring 1984 U.S.-U.S.S.R. summit. The agreement’s “Catch 22,” spelled out in the reservation that the United States retains the right to review each Chinese request on a case-by-case basis and the now-public Kissinger-Pugwash-supported conditions on technology transfer to China, shows the limits in the deal.

Then, following the Sept. 1 Soviet shootdown of Korean Airlines Flight 007 and the subsequent escalation of Soviet global offensives, Kissinger and his group made a turn. With the prospects for a U.S.-U.S.S.R. summit now badly damaged, no matter how much Kissinger and his associates a-pol-

ogized for Soviet behavior, the Pugwash crowd would seek to totally eliminate the “China card” factor against Moscow in upcoming planned meetings between Reagan and the Chinese leadership.

Leading Kissinger outlet columnist Joseph Kraft, echoing the consensus of the Pugwash crowd, warned, before Prime Minister Zhao Zi-Yang’s visit to Washington in January that China’s “decline” both as an international force and as a “military card” should be viewed as an excuse by the Reagan administration to drop not only its anti-Soviet policy but its rhetoric as well, so as to appease Moscow while Zhao was in the United States. And indeed, the Zhao-Reagan meetings and the Zhao visit generally were played by both the administration and the Kissinger crowd in an extremely low-keyed fashion.

Kissinger plays the China card

The origins of U.S. China card policy can be seen in two significant March 1969 Sino-Soviet border explosions on the Manchurian frontier. It was there that Kissinger saw in China’s weakness the opportunity that he required. The battles were followed by skirmishes in the summer of 1969 and by a massive border buildup of both sides. The Soviet Union immediately raised its border strength to 35 full divisions armed with battlefield nuclear weapons, and drained bombers from the western front in East Europe.

Since the mid-1960s Chinese military force deployment has been targeted at a Soviet threat. These deployments occurred even while Peking showed deepening concern over the escalation of U.S. force in Indochina; following the 1969 border clashes, rumors were rampant in the P.R.C. of an imminent Soviet attack. The pressure toward full alert was exacerbated by a factional crisis that had surfaced in 1969 within the P.R.C. Politburo. A group centered around Defense Minister Lin Piao and the Central Military Command aligned with Cultural Revolution ideologist Chen Po-Ta had lined up against Mao and all other factions.

Kissinger seized the opportunity, knowing that the only card the Lin-Chen opposition could play against Lin’s opportunist promotion of an emergency conventional military buildup against the now-clear Soviet threat would be the “American card.”

When a desperate P.R.C. leadership broke off proposed back-channel negotiations in Warsaw in spring 1969, Kissinger responded by ordering the State Department to send a signal to Peking—in July—by relaxing travel restrictions to China. Kissinger increased the signals in early January 1977, attempting, as he would later report, to seize the advantage of the outbreak of riots in Poland.

In late January, China responded, requesting a renewal of talks. But by that time Kissinger had already secured a back channel for negotiations with the Soviet Union on arms and other matters with Soviet Ambassador to the U.S. Anatoli Dobrynin, and had already begun the process of large-scale U.S. retrenchment from Asia under the auspices of the

already announced "Guam Doctrine."

Within this context Kissinger launched a gamble aimed at pressuring North Vietnam into negotiations by extending the war into Kampuchea.

While the Kampuchea invasion forced the P.R.C. to break off negotiations, in the summer of 1970 the relentless Soviet border buildup had them signaling anew to talk. By August, the P.R.C. had invited U.S. author Edgar Snow to China, and in October, Snow stood next to Mao during the annual review on China's National Day. In December, Snow was asked to deliver a message to the White House requesting a Nixon visit to the People's Republic. At the same time, Pakistani and Romanian channels were used to convey the same message to Washington.

After a secret visit to Peking by Kissinger in early July 1971, on July 15 President Nixon took to national television to announce his acceptance of the Chinese invitation. The startling July 15 announcement came just two months after Nixon, at the urging of Kissinger, announced a breakthrough in SALT negotiations. The breakthrough was the result of a general agreement Kissinger had negotiated through Dobrynin—an agreement which was so egregious in its concessions to Moscow that it would have to be repeatedly modified during the course of the year.

And on Aug. 15, Nixon made a third drastic move, this time under the advice of then-Office of Management and Budget Director George Shultz, Kissinger, Undersecretary of the Treasury Paul Volcker, and Treasury Secretary John Connally, to announce removal of the U.S. dollar from the gold standard, which would have drastic negative effects on Japan and Europe.

The 1972 Nixon trip

In February 1972, after a final showdown between the Lin Piao group and the Mao-Chao forces had been resolved in October 1971, when a failed military coup led by Lin resulted in his death and the imprisonment of his literary collaborators with the already jailed Chen Po-ta, the Nixon visit occurred.

The result of the four-day visit to the P.R.C. was summarized in the so-called Shanghai Communiqué, which separated the Taiwan issue from the prospect of ultimate normalization between the two countries. The inclusion of an "anti-hegemony" (anti-Soviet) clause created the impression of unavoidable strategic implications for the new Sino-American relationship. China had secured at least the threat of an American card, while the United States had established a threat of a China card. But for Kissinger the China card only paved the way to guarantee a successful May summit in Moscow between Nixon and Brezhnev, where the treasonous SALT I and ABM agreements were signed. Thus, Kissinger set up his China card as a vehicle for gaining what he believed to be a "code of détente" from the Soviet Union.

Thus, by the beginning of 1973 the strategic die was cast. Kissinger and his accomplices were well on the way to guar-

anteeing the "controlled economic disintegration" of the West and of the developing sector, and they had granted to Moscow a guaranteed growing strategic hardware advantage in offensive systems, while pledging to cancel outright U.S. technical advantages in defensive systems.

The history of the rest of the decade would be woven about this guaranteed Soviet advantage, an advantage which repeatedly trumped Washington's and Peking's attempts to use their respective cards.

In early 1973, the Soviet leadership decided to ease pressure against Peking by stopping its border buildup. Although U.S.-Chinese trade would continue to grow dramatically through 1974 and decline thereafter, Sino-American relations would peak with the May establishment of liaison offices in the two countries.

By this time, Kissinger was totally dominant in U.S. foreign policy, while Shultz was promoted to the position of U.S. economic policy czar. Under their leadership the United States went into an even deeper decline. Through late 1973 and 1974, President Nixon and the presidency itself were under severe attack in the Watergate scandal. In early 1975 the entire U.S. position in Southeast Asia suddenly collapsed, and U.S. credibility vanished in the rest of Asia. By mid-1975 the hard core of American patriots in the military and intelligence, dragged through the mud by Kissinger's handling of Vietnam, were all but destroyed during the notorious Church Committee hearings on alleged abuses by U.S. intelligence officials.

From Ford to Carter

During the 1974-76 Ford administration, with Kissinger and his accomplices totally dominant in foreign policy, the China card was put on ice as Kissinger desperately attempted to obtain a new SALT II agreement. For Asia, in mid-1975 Kissinger and Ford announced the so-called Pacific Doctrine, which attempted to calm allies' nerves with assurances that the United States would halt its retrenchment and maintain its existing air and naval presence in the region.

By late 1975 Kissinger had appeared to obtain his goal. Supranational rule had been consolidated over the West and the developing sector through austerity-based monetary reforms and raw-materials crises. The China card appeared to have served its purpose in securing a major agreement with Moscow and then guaranteeing continuing Soviet acquiescence in the agreement, and finally, Kissinger had succeeded in securing a pullback of U.S. forces worldwide.

However, by late 1975 a challenge to the entire scenario erupted. Unexpectedly, the Soviet Union, in league with Cuba, appeared to have broken the agreement with Kissinger by openly intervening in the crisis in Angola. Kissinger's failed military response was complemented by an impotent policy of "linkage" which torpedoed the SALT II agreement.

But what drove Kissinger hysterical is that he and the Establishment began to realize that the Soviet Union, opting for the Angola intervention, was not really interested in a

SALT II agreement.

On this ominous note the Carter administration entered office.

Following the open failure of Secretary of State Cyrus Vance's March 1977 trip to Moscow, conducted on the basis of a proposal drafted by Sen. Henry Jackson calling for deep cuts in strategic forces and conducted in an atmosphere of a human-rights barrage against the Soviet leadership, a sharp reversal took place in Washington. By the spring of 1977, Vance had prevailed over National Security Adviser Zbigniew Brzezinski on both Soviet and China policy; Carter toned down his human-rights rhetoric and, on July 21 delivered a speech hailing a new atmosphere conducive to a U.S.-Soviet accord.

By the summer, forces close to Vance leaked Presidential Review Memorandum 10, which set the ground for a radical softening of the U.S. SALT position. PRM 10 stipulated that the growth of the Soviet military and civilian economy was seriously slowing and that long-term strategic trends favored the United States.

In September, Vance met with Soviet Foreign Minister Gromyko on SALT, and in late October, Carter predicted an arms agreement in two weeks. While the Carter administration had put China policy very low on its list of priorities, the Soviets took no chances. Speaking under their traditional name of "I. Alexandrov" in *Pravda* on May 14, the Politburo warned that the United States was serious about selling arms to the P.R.C., that such sales would threaten Soviet security, and that an anti-Western China would succeed in pulling Washington into an anti-Soviet front.

By June, any fears Moscow might have had that Brzezinski would be successful in promoting the China card were allayed. Vance delivered the Carter administration's first address on Asia policy, in an atmosphere of vehement commitment to Kissinger's Guam Doctrine—exemplified by Carter's hysterical proposal for the full reduction of U.S. ground forces in South Korea in early 1977 and the drive by Assistant Secretary of State for Asia Richard Holbrooke and U.N. Ambassador Andy Young's to normalize relations with Vietnam. Vance called for the eradication of any strategic relationship between the United States and the P.R.C., stipulating that relations must be "bilateral" and not "triangular"—i.e., aimed at Moscow.

Vance's so-called even-handed policy between Moscow and Peking offered a limp reassurance to Peking, pledging that the United States would enter into "no agreements against the P.R.C."

Breach with Peking

As expected, Vance's visit to Peking in August was a disaster. Newly rehabilitated Vice-Premier Deng's view was that the United States had regressed even from the Ford administration's commitment to normalization. Indeed, through late 1977 and early 1978 the Chinese press would charge that Cyrus Vance was "anti-Chinese," while accusing

Carter of underestimating Soviet expansion, trying to use disarmament to halt the Soviet military buildup, and trying to use technological expertise, loans, and grain as means of trying to pressure Moscow—a foolish underestimation of the adversary.

Then in late 1977 Moscow granted massive hardware under Cuban military direction to quickly decide the Ogaden war in favor of Ethiopia. The Ethiopian victory consolidated Soviet dominance over the strategic Horn of Africa and put Egypt's underbelly in Sudan in a pincer between Ethiopia and its ally Libya.

Even more telling than the Ethiopian intervention was the buildup during the course of 1977 of a decisive theater nuclear capability in the Soviet SS-20 (intermediate-range) missile deployment. By the end of the decade, full deployment of these advanced theater nuclear missiles would yield Moscow an unquestioned tactical nuclear dominance in an arc starting in the northern flank of NATO and encompassing the entirety of Western Europe, the Mediterranean, the Middle East, the Persian Gulf, northern India, Southeast Asia, China, and Japan. These weapons systems must have gotten their go-ahead immediately following the cataclysmic Kissinger concessions of 1971-72.

Under these circumstances, Moscow could now seek political domination. The SS-20 deployments were affixed to a massive buildup of the Soviet Pacific and Indian Ocean fleet, which beyond its geopolitical implications, would increasingly challenge the credibility of the U.S. deterrent, primarily based in missile-vulnerable submarine-launched ballistic missiles.

Soviet intelligence services seized the advantages provided them in Iran, starting in late 1977, with the foolish detonation of the Islamic card, vaunted by Brzezinski and others as a threat to Soviet internal stability. In April 1978, at the same time Iran began to boil, the Soviets sponsored their first coup in Afghanistan.

In mid-1977, Moscow had encouraged an ever more dependent Vietnam to dispatch a large occupation force into neighboring Laos. This Laotian deployment was an essential military preparation for a move into Kampuchea. Such a move by Vietnam was encouraged in late 1976 and early 1977 when the dominant Pol Pot forces of the Khmer Rouge backed by the P.R.C. launched a massive purge of Khmer Rouge military forces, many of which were allied to Vietnam and Moscow. These purges also included Khmer Rouge members of the Hanoi-linked Indochinese Communist Party. The Chinese-backed Pol Pot purge itself was a response to a series of attempted military coups in the Khmer Rouge against the Pol Pot clique.

In October 1978, immediately following the Sino-Japan Friendship Treaty, for the first time the Soviet Union garrisoned battalion-level forces on the so-called "Northern Islands" claimed by Japan but occupied since World War II by the U.S.S.R. This garrison would not only protect for Moscow the strategic Sea of Okhotsk, but along with the SS-20s,

it delivered to Japan a message similar to one being delivered to Europe by that time: Pay tribute to Moscow or face the consequences.

By the spring of 1978, the Chinese leadership, featuring Deng, were in an hysterical international mobilization to counter a Soviet deployment which would significantly be aimed at them. In Washington, the appeasement line of Vance and company was being discredited, leaving the door open for the self-styled Kissingerian magician Brzezinski. At no time did the Carter administration get close to considering a reversal of the disastrous Kissinger pledges of restraint on offensive and defensive systems. Brzezinski tried to force Moscow to honor the broken code of détente through a wave of bluff and bluster, starting with the "Islamic card," the China card, and later, an insane conventional buildup scenario centered on a diminutive "Rapid Deployment Force," a dangerous stretch-out of U.S. naval capability, and pressure on Europe and Japan for a conventional buildup to free up U.S. forces for the RDF.

At the very end of 1977, Brzezinski attempted to parlay Capitol Hill resistance to the SALT sell-out (which he favored) and the Soviet move in Ethiopia (which he abhorred) by pressuring Carter to link the SALT II accord to Soviet restraint in Africa. In the aftermath of an early 1978 factional battle within the administration, Carter announced that he would exempt SALT from linkage, but he would give Brzezinski a green light to cook up plans to penalize Moscow's misbehavior.

A disastrous climax

One month after the April 1979 Soviet-supported Taraki coup in Afghanistan, Brzezinski left for the People's Republic of China in the midst of leaks from his own National Security Council that the United States would not interfere with planned Western European arms sales to China and might itself sell China advanced military-related technology. In the middle of a Sino-Soviet border incident and several months of a Vietnamese-led expulsion of Chinese nationals dubbed the "boat people", Brzezinski arrived in Peking and initiated public assaults on Moscow's "hegemonist" intentions while additionally attacking "regional hegemony"—a swipe at Vietnam. In his toast at the formal dinner, Brzezinski intoned, "Only those aspiring to dominate others need fear our relationship," a drastic departure from Vance's 1977 toast in Peking, which offered that "our relationship will threaten no one." Importantly, Brzezinski's departure from Peking was greeted with a minor Sino-Vietnamese border incident.

By the beginning of 1978 the Chinese leadership, their position being most often articulated by Deng, had initiated a frenetic global effort to pull together a broad common front aimed at stopping or at least slowing the Soviet Union. Stepped-up diplomacy aimed at securing a Sino-Japanese defense treaty, urgent diplomacy among the weaker of Moscow's Eastern European allies, a similar focus in support of

the weakening Shah regime in Iran and Pakistan, as well as an all-out effort to open up to the Association of South-East Asian Nations (ASEAN), plus an urgency in stepping up the pace of normalization with the U.S. was at the top of the P.R.C.'s agenda.

Brzezinski returned from the P.R.C. to sit in on a tense meeting between President Carter and Soviet Foreign Minister Andrei Gromyko at the White House. Charges were made that Moscow had broken the "code of détente" during May incursions from Angola into mineral-rich Shaba Province in Zaire. The White House sought to coax the wayward Soviets from their adventurous path. On May 30 at the NATO summit, Carter focused on a Soviet military buildup in East Europe, urging that it would require larger NATO defense spending. On June 6, the President challenged the Soviets to choose between confrontation or cooperation.

The Soviets, however, secure in the strategic booty they had obtained from Kissinger and his successors, responded as follows. On June 25, Brezhnev publicly declared that "high-level and cynical attempts to play China against us" were "short-sighted and dangerous." This was followed by an unusual Aug. 25 Politburo statement cautioning that Western arms supplies to China would immediately cancel talks on both SALT and MBFR (conventional arms talks), and the Politburo publicly labeled Hua's trip to Romania, Yugoslavia, and Iran "a serious threat to peace," aiming at an "uncontrollable arms race." And finally, in an interview granted to the London *Observer* in November, Georgii Arbatov (head of the Soviets' U.S.A.-Canada Institute) warned that the Soviets would abandon SALT if Washington entered into a formal or informal alliance with Peking. Ironically, nine days before the Arbatov statement, on Nov. 3, the Soviet-Vietnamese military treaty was announced. On that same day, a weakened Vance, speaking in Washington, announced that the United States had no objections to Western European arms sales to the P.R.C.

The normalization agreement

While Moscow and Hanoi had already made the decision to invade Kampuchea, on Dec. 15 the United States and China formally announced that normalization between the two countries would take place on Jan. 1, 1979. Importantly, the declaration contained an NSC-supported anti-hegemony clause. However, despite Soviet warnings against such an agreement, administration anticipation was high that an upcoming Geneva meeting between Vance and Gromyko would produce an immediate SALT agreement. Indeed, the Brzezinski NSC, intoxicated by Kissinger's formulas, was convinced that the China normalization had enhanced the possibility of a SALT agreement, since Brzezinski's ultimate purpose in pursuing the China card was to use it to pressure the Soviet Union back into the original deal they had supposedly cut in the early 1970s, a deal by which they would restrain their behavior in areas of Western concern in exchange for the destruction of U.S. military advantage.

U.S. launches trade war

Mexico is buckled to the IMF's asset grab, while the U.S. cuts off every option for development.

Mexico capitulated to pressure from the International Monetary Fund and allied financial circles Feb. 17 and agreed to "flexibly interpret" its foreign investment laws, opening the way for an unprecedented asset grab by foreign creditors.

The new investment "guidelines" place almost the entirety of Mexican industry (except for oil and electricity) on the list of "exceptional cases" of new investments which are now open to majority foreign control. Second, equity in existing Mexican-owned factories and other assets can now legally be handed over to foreign control for the first time.

Mexico's surrender creates a precedent for "debt-for-equity" looting against the rest of the continent, particularly Brazil. Under the rubric of "Hong Kong economics," these were the essential demands made by Henry Kissinger's Central America Commission Report. The Kissinger plan will force the economies of Ibero-America into the world's biggest "cash crop": the drug trade.

While the Mideast crisis is placing U.S. oil supplies in increasing jeopardy, traitors in the State and Commerce Departments are doing everything possible to bludgeon and alienate Mexico, America's natural ally and the best possible alternative oil supplier.

The means to reverse this policy disaster are readily at hand. As *EIR* has urged, the United States should immediately offer oil-for-technology deals to Mexico, receiving guaranteed deliveries of oil in exchange for capi-

tal goods. *EIR* calculates that Mexico could represent a \$100 billion market for U.S. capital goods over a five-year period, if Mexico's oil revenues were only put into trade and investment instead of debt reseriving.

Instead, the U.S. Commerce Department ruled Feb. 6 that Mexican, Brazilian, and Argentinian steel exports to the U.S. were being "unfairly subsidized" and are subject to what are called countervailing customs duties. Then on Feb. 15 the United States closed the border to imports of Mexican meat.

The American embassy issued a public blackmail note the same day stating that Mexico would be out of difficulty on the steel issue if it would only join the General Agreement on Tariffs and Trade (GATT), a measure Mexico has traditionally opposed as detrimental to its industrial development program. As Mexico is well aware, membership in GATT did nothing to shield Brazil from being slapped with a 27 percent countervailing duty by the United States.

Mexican business circles have told *EIR* that these measures on the part of the United States have left the country bewildered and infuriated. The International Monetary Fund is insisting that Mexico pay its debt by exporting more and importing less; yet steel was one of the few non-oil exports that Mexico was able to expand last year.

President Miguel de la Madrid, in an interview with *The New York Times* Feb. 13, warned that these trade war measures, and high U.S. interest rates, are creating a crisis in relations with

the United States. It is in the interest of the industrialized countries themselves, he insisted, to abandon such destructive measures. "Our foreign debt service absorbs a large part of our effort," he said. "This year, for example, the payment of the interest alone is equal to the income from our total oil exports. This creates a serious problem for us with respect to our balance of payments and managing our budget."

De la Madrid was not exaggerating the devastating effect of U.S. Federal Reserve chairman Paul Volcker's high interest rates on Mexico. Between 1979, the last year before Volcker's interest rates shot to the sky, and 1984, Mexican payment of interest (excluding principal) on foreign debt exploded from \$3 billion to \$13 billion a year.

For a while, Mexico could keep up with the additional cost because its oil production and price levels were also rising. However, in 1981-1982 it reached its current "platform of production" of an average 2.5 million barrels per day.

Since 1981, every rise in interest payments has come directly out of vital imports of capital goods. Total imports, weighted toward capital and intermediate goods, fell from \$24 billion in 1981 to \$16 billion in 1982 to \$8 billion in 1983.

De la Madrid emphasized: "Mexico's problem is very similar to that of other developing countries. And I do not believe that the economic recovery of the world can be achieved only with the great thrust of the economy of the United States or of the industrialized countries. That is, that if we do not find a way for cooperation to be of benefit also to the developing world, we will encounter serious problems for the industrialized economies themselves."

Mafia attacks Colombia's Betancur

Jaime Michelsen and friends are using the "soft on communism" line to stop Betancur's war on drugs.

A full-page (presumably paid) ad by fugitive Banco de Colombia head Jaime Michelsen Uribe appeared in the anti-government Bogotá daily *El Tiempo* February 12 charging that Colombian President Belisario Betancur's intervention against the Banco de Colombia and its former president "endangers the confidence and position of the private sector generally and financial sector in particular . . . with obvious damage to the domestic and foreign image of our country."

The ad, which was accompanied by a flurry of interviews granted the same week to the Colombian media from Michelsen's "hide-out" in Miami, virtually called for a coup d'état against Betancur by urging that "the people and the nation should try those who are truly responsible for having dealt such a blow to private enterprise."

Several weeks earlier, then Defense Minister Landazábal Reyes presented Betancur with a 17-point memorandum purporting to outline the military's concern that the country was rapidly being taken over by "Marxism-Leninism" and demanding greater prerogatives in the policy deliberation process for the Armed Forces. Landazábal was unceremoniously sacked by a furious President Betancur, but numerous co-thinkers of Landazábal remain within the military hierarchy.

On Feb. 13, the government secretary of the department of Magdalena charged that guerrilla bands in the region were openly working with the drug mafia in a cozy arms-for-drugs

arrangement (evidence exists that such collaboration is the rule throughout much of the country).

Over the past month, several hundred peasants in the terror-plagued Magdalena Medio region have been butchered—throats slit, decapitated, disemboweled—and tossed into mass graves, prompting mass exoduses by the region's terrified inhabitants and outcries for Betancur to end his peace dialogue with the guerrillas and give the military free rein.

On Jan. 27, the *Wall Street Journal* ran an editorial entitled "Notes from the Underground" which attacked "dirigist" leaders on the continent whose "excessive state interventionism" was forcing would-be entrepreneurs—like those of the "free-market" drug trade—into the underground.

What all of these incidents have in common is a deliberate focus on Betancur's alleged anti-capitalist and pro-communist leanings. What their protagonists, in fact, have in common is an unholy alliance with the drug mafia whose notorious interface with KGB networks on the continent make the anti-drug President's sudden label as "soft on communism" ludicrous at best.

Last month, Justice Minister Rodrigo Lara Bonilla—the moving force behind Betancur's anti-drug commitment—discovered that both his home and ministry office telephones were being intercepted by the mafia, who were analyzing his taped conversations to counter the Minister's anti-drug initiatives and to plot his assassination. *EIR* has learned that, despite

official efforts to downplay the incident, high-level figures in official government entities had to have been complicit in the illegal and sophisticated interception.

It is no secret that the powerful Colombian drug mafia has friends in very high places, having either infiltrated or bought outright friends in the military, Congress, the political parties, the courts, etc. It is thus logical that Betancur's courageous war on drugs, ranging from endorsement of paraquat use against the drug crops to prosecution of political and financial "citizens above suspicion" behind the drug trade, has prompted a panic within circles capable of launching major destabilizations—up to and including a coup d'état—against the Betancur government.

It is in this light that recent statements by the U.S.'s new Drug Enforcement Administration chief Francis Mullen should also be closely investigated. In early February, the 20-year FBI veteran arrived in Bogotá presumably to consult with the Colombians on antidrug collaboration. Instead of praising Betancur's unprecedented efforts and offering the full support of the U.S. government against his would-be destabilizers, Mullen stepped off his airplane to announce to the assembled press corps that his government was "irritated" with Betancur's handling of the new bilateral extradition treaty and was demanding "intensified" anti-drug efforts from the Colombian government.

Recent commentaries in the *New York Times* and *Washington Post* about U.S. irritation at Bolivian President Siles Zuazo for his failure to defeat that country's cocaine mafia have contributed to an ongoing destabilization of the Siles' government which could well bring the "cocaine colonels" back into power.

The kind of death Papandreou fears

What if the Washington magicians who put him into power decided to dump the Greek premier?

The Greek prime minister's current frantic efforts to take direct personal control over the KYP—Greece's Central Intelligence Agency—and his mysterious and little-known relationship with mystery man Michel Pablo spring from a deep-seated fear of death.

Since Andreas Papandreou knows me, the reader can imagine himself to be listening in to what I might be saying to Mr. Papandreou in the privacy of his home:

Andreas knows that the way Greek governments are caused to be destroyed from the outside is by means of artificially triggered eruptions of Greek-Turkish military relations around the permanent Cyprus crisis. Andreas knows that if United States national strategic interests in Europe and the Near East are to recover from the profound damage now being inflicted in the Lebanese crisis, his government must be made to collapse in order for NATO's southern flank to be restored to military relevance.

The way such a collapse would be triggered is by means of a rapid, overnight Turkish military move on some of the thousand-plus uninhabited Greek islands in the Aegean Sea and the hoisting of the Turkish flag there. Greece's military weakness with respect to Turkey is such that such a minor move would instantly precipitate a national revolt against Papandreou. The dozen or so senior military officers of the 1967-74 military dictatorship who are now serving life sentences in prison would be back in control with good arguments for putting Andreas before a firing squad. Hence

Andreas fears death.

Andreas has of course considered throwing his lot with the Warsaw Pact in order to defend his flank against such a Turkish scenario. He knows it would not work. Back in February of 1983, I caused a strategic memorandum to be sent to Andreas's intimate circle outlining that should his government continue its flirting with the then-emerging Russian military junta, the result would be a dramatic redrawing of the political map of the Balkan Peninsula which would revive Count Ignatiev's Panslavic Treaty of San Stefano accords of 1877. This would mean reduction of Greek sovereign territory by at least 30%, including total loss to Greece of its present Northern maritime provinces. This means that Andreas would again be shot, either by a Greek Army firing squad or by a Bulgarian Spetsnaz team. For a year now, I have received no reaction indicating that Athens contests this evaluation. Andreas fears this kind of death too.

This brings us back to the matter of Michel Pablo and the KYP reorganization. Michel Pablo, the Nazi-Trotskyist associate of Jacques Verges, François Genoud and Klaus Barbie, the "Butcher of Lyon," is the man who is entrusted with the safeguarding of Andreas' life. The KYP is the intelligence capability which if controlled personally by Andreas would enable him to influence the larger strategic-political events which will precipitate the dangers to Andreas' person. The Greek Central Intelligence Agency, the KYP, was created and coached by the U.S. CIA when relations between the

two countries were happier in the 1950s. Certain factions of the U.S. intelligence community (namely those which put Andreas in power) still maintain control over KYP. They are what we might call the "Kissinger networks." It is from those that the panic-stricken Andreas is now trying to wrest control of the KYP. He believes that they are about to dump him, and he might well be right.

For those, like Andreas, who know how to read the auguries and deduct how the post-Gemayel world of the Near East is supposed to look, it is evident that the coordination between Turkey, Ariel Sharon's group in Israel and Richard Burt in Politico-Military Affairs at the Defense Department means that there is no room for a Papandreou-led Greece in the near future.

The KYP's excellent electronic monitoring and translating capabilities cover the entire intricate, multilingual Near East. They are a formidable contributor to overall NATO intelligence. If they fall into the hands of Andreas Papandreou, and by extension into those of his eminence grise Michel Pablo, they shall then be in the hands of the extensive Nazi-KGB network of Genoud, Ben Bella, Jalloud, Khomeini, et al. of which we have provided extensive documentation elsewhere. The KYP in these hands will provide a further avenue of penetration and disinformation into those pockets of NATO intelligence still uncontaminated by the KGB.

This too is a risky path for Prime Minister Papandreou in which survival probabilities are low. A clue for the Prime Minister: Those Washington magicians who put him in power around Kissinger's Policy Planning Group are themselves in disarray and confusion. They no longer control the thread of events which their Near East Frankenstein is now authoring.

The odd decouplers

West German left and right wings form a tactical alliance against President Reagan.

Two of the rivals to Helmut Kohl met in Munich on Feb. 13—the deputy fraction leader of the Social Democratic opposition in the national parliament, Horst Ehmke, and the chairman of Bavaria's Christian Social Union, Franz-Josef Strauss. The event, according to official statements, was a "routine meeting between parties."

"All questions relevant at this moment" were discussed, including, as Herr Strauss told the press later, the recent scandals and crises in Bonn. He and Ehmke agreed that the current Chancellor was to "face a hard time" during the weeks and months ahead—an obvious reference to a coming government crisis in Federal Republic.

One week before this encounter in Munich, the official head of the Social Democratic opposition in the Bonn parliament, Hans-Jochen Vogel, surprised his discussion partners in Canada, including Premier Pierre Trudeau, with public praise of the same Herr Strauss as "having prominently joined the *Ostpolitik*." *Ostpolitik*—that was the policy of appeasement toward Moscow and step-by-step decoupling of Europe from the United States launched by Henry Kissinger, the U.S. East Coast Establishment, and the Socialist International at the end of the 1960s. Could it be true that Strauss, who maintained an image of being "Mr. Pro-America" in West Germany during that period of *Ostpolitik*, has changed his principles, as Herr Vogel has claimed?

At the same time Vogel made that statement, Gerold Tandler, the general manager of Strauss's party, the CSU, launched an appeal to the Socialist International "to use its influence in all Western countries, be they in power or not, to establish the duty to protect nature as a constitutional right everywhere." Such an alliance with the ecologists and post-industrial Socialists, has been a policy of cooperation outside West Germany for some time. The CSU-linked think tank, the Hanns-Seidel Foundation, opened a branch in Barcelona about a year ago which cooperates closely with the Social Democratic think tank, the Friedrich Ebert Foundation.

Charges from among Italian Socialists around the European parliament deputy Ripa de Meana against the pro-KGB policy of the Socialist International under its West German president, Willy Brandt, were not taken up by the CSU at home: In addition to a Strauss-linked working group on a "non-American solution to the Middle East conflict," headed by an official of the Bavarian State Government, Dr. Rudolf Hilf, there was the seminar held by the Hanns Seidel Foundation in late January featuring an official of the U.S. Embassy in Bonn, James Bindenagel. Bindenagel parroted Ambassador Arthur Burns's scandalous pro-decoupling line as "a normal discussion ongoing in the States" which would "pose no threat to American-German relations."

Two days later, the same seminar

featured a real anti-American terrorist as a speaker, namely the same protest movement activist Wolfgang Sternstein who had broken into the U.S. Camp at Mutlangen with his "Ploughshare" group and destroyed a U.S. Army truck used for transporting Pershing II missiles.

This spectacular action, inspired by similar operations launched by the well-known Berrigan Brothers' "U.S. Ploughshare" against army and navy installations in the United States, took place at the end of November 1983, at the time the West German parliament debated the stationing of Pershing IIs in the country.

A discussion initiated by an *EIR* representative at this seminar about U.S. President Reagan's pro-beam-weapon policy was halted by an official of the Bavarian State Chancellery, Dr. Rudolf Sussmann, who said that "one only discusses bad policies in public, the good policies are discussed behind closed doors."

The debate among the attendees to the seminar was then handed over to numerous anti-American peaceniks, who spread KGB-inspired slogans about "the threat posed to the population by U.S. nuclear missiles."

All this occurs against West German media background full of propaganda that "Reagan will not act on Lebanon because this is an election year"—in other words, as long as Henry Kissinger succeeds in keeping Reagan contained back home, the Europeans and Soviets can go full speed in their decoupling drive.

President Reagan should do what American presidential contender Lyndon LaRouche has already done twice: go on national television and expose the decoupling plot by naming names. Strauss's new flirtation with the Socialist International in Munich adds some names to the list.

Behind the French-Soviet rapprochement

It involves Lebanon, Syria, and Iranian terror. Some French Socialists do not approve.

Insiders on the editorial board of the French daily *Le Monde* have been talking a lot lately about the French efforts to make their own deal with the Soviet Union, especially over Lebanon. "There will be a split between the United States and France on the Middle East," prophesied one such insider, "Mitterrand is trying to stay in Lebanon after Gemayel goes. The problem is how to get rid of Gemayel."

Such a French "deal" would explain President Mitterrand's otherwise inexplicable remarks on French television Feb. 12, when he praised the Shi'ite militias who had just driven Lebanese army forces out of half the capital Beirut, for their "great sense of responsibility." "There are cordial relations between us," he said. A few days previously, Jacques Huntzinger, head of foreign relations for the French Socialist Party, had endorsed a statement by the Shi'ites' ally, Druze leader Walid Jumblatt, calling for Gemayel "to commit suicide," a barely disguised threat to assassinate the Lebanese President. Huntzinger was quoted saying that while the remarks of Jumblatt—who is vice-president of the Socialist International—may have been a little extreme, he agreed that Gemayel had to go.

A front page story in *Le Monde* dated Feb. 13, entitled "M. Mitterrand's Trial Balloon," reported that Mitterrand made a declaration during his visit to Greece, stressing the "common struggles" of the French and Soviet peoples, and Mitterrand's remarks about the late Yuri Andropov

were also remarkably warm. "I never knew Yuri Andropov personally," he said, but many signs indicate a personality that has always appeared to me to be very strong, which can constitute an eventual factor of stability in the conduct of public affairs, of personal authority, of knowledge of dossiers and of true culture."

Le Monde journalist Jacques Amalric comments that Mitterrand is continuing a process of new "openings" to the Soviet Union that began towards the end of 1983. The visit to France by Soviet Deputy Premier I. V. Arkhipov Jan. 27-31, and the signing of a huge \$1.2 billion trade deal between the two countries is part of this deal.

"France has never said no to anyone," commented another veteran foreign-policy observer. He said that the French would swing to whichever power was the strongest, and right now that is the British—and the Soviets, "who make long term plans. The change of a leader does not make any difference to them. Their policy is like a boa constrictor—very long term, very slow, but very thorough!"

Another indication of the French "deal" with the Soviets is the apparent impunity with which Iranian—and other—terrorists operate on French soil. The assassination of Iranian exile leader Gen. Gholam Ali Oveissi and his brother in Paris Feb. 7, followed one day later by the murder of the ambassador of the United Arab Emirates led to conclusions being drawn in some quarters that "There has been a deal

between Iran and the French. The Iranians will leave French interests alone in exchange for freedom of movement in France, and for France not delivering certain weapons to Iraq," as one Arab source in London commented after the killings.

Not everyone in France is happy with the way French policy is going. The head of the Association of Socialist Human Rights, M. Pierre Percis, declared in a message to the Socialist Party leadership that he was "scandalized by the call for the murder of President Gemayel launched by Walid Jumblatt." The association called for "an urgent meeting of the Socialist International to discuss this serious affair." If "The exclusion of Jumblatt is not decided upon, the respectability of the members of the Socialist International would be seriously compromised," the message stated.

Le Monde also carried an exposé of a little-known organization fighting against President Gemayel on behalf of the Syrians and the Soviets showing that not all are happy with France's friendship with the Nazi-run state of Syria. The article on the Syrian Popular Party, now named the Syrian National Socialist Party (SNSP), reports that this movement of self-avowed Nazis, now "left-wing" and working with the militarist, anti-Semitic Lebanese Communist Party is calling for the creation of a "Natural Syria," which would include Lebanon, Syria, Jordan, Palestine (including Israel), Iraq, Kuwait, and Cyprus. The originator of this idea is none other than a Belgian Jesuit, one Henri Lammens, according to the journalist J.-P. Peroncel-Hugez. Peroncel-Hugez describes the SNSP as "one of the many instruments of Syrian penetration of Lebanon." What is France doing working with people like this, is the unasked question in the article.

International Intelligence

Soviet marshals pick another basket case

Reports on the physical performance of Konstantin Chernenko at the funeral of Yuri Andropov in Moscow confirm that the Soviet military has once again chosen a man who quite literally will not lift a finger to interfere with the marshals' plans to push the world toward a global showdown.

During the 45-minute burial ceremony on Red Square on Feb. 14, Chernenko repeatedly had to accept physical support from Foreign Minister Gromyko and Defense Minister Ustinov.

Chernenko repeatedly stuttered and lost his place in the manuscript during his 8-minute speech, which was also interrupted by coughing and gasping. Sources cited by the West German daily *Die Welt* report that Chernenko is currently suffering from pulmonary emphysema.

As could be clearly seen by an international television audience viewing the funeral, Chernenko was unable to hold his hand to his head in a salute for more than a few seconds at a time.

After that Feb. 14 performance, articles on the "72-year old jogger with an iron constitution" have tended to disappear from the Western press. It is recalled, belatedly, that Chernenko disappeared from the Moscow political scene on two occasions in 1983 for a total of three months. Official explanation: "a cold."

Pugwash at work on the northern flank

The Pugwash disarmament movement, through which the Soviet Union has shaped the last 30 years of Western military doctrine, will concentrate its forces during the spring and summer on NATO's weak "Northern Flank," with two conferences now scheduled for Scandinavia in the coming months.

The organization for so-called U.S.-Soviet dialogue on strategic matters has sched-

uled, according to Pugwash executive director and Soviet appeaser Martin Kaplan, a March 16-20 conference on "Conventional Forces in Europe" in Copenhagen, an early-June conference on "Nuclear Forces and the Nuclear Freeze" in Geneva, and a July gathering near the mining town of Kiruna in Swedish Lappland.

The latter conference, said Kaplan, is being held on the personal invitation of Swedish Prime Minister Olof Palme, who wanted it held in the far north "because this whole area is a center of military activity." The area in question—northern Norway, Sweden, Finland—is the region of greatest Soviet superiority over NATO in all Europe, largely owing to the huge Soviet military complex at Murmansk.

A spokesman for Pugwash's Danish branch said that one of the intentions of the Copenhagen conference in March will also be to downplay what he termed "totally nonsensical" ideas which have recently emerged regarding the possibility of a Soviet surprise attack on the Danish peninsula and the northern German state of Schleswig-Holstein.

Palme has remained in office despite revelations that the creator and policy director of his commission on disarmament, Norwegian foreign ministry official Arne Treholt, was a colonel in the Soviet KGB.

Gromyko rebuffs Japanese overture

The Soviets are continuing their campaign of pressure against Japan: Spokesmen for the Soviet embassy in Tokyo have announced that the Soviet Union will strengthen its military capability in the Far East if the United States deploys the Tomahawk cruise missiles in its Pacific fleet as discussed for July.

The point was underscored when Foreign Minister Andrei Gromyko turned down Japanese Foreign Minister Shintaro Abe's invitation to visit Japan following talks between the two at Andropov's long-awaited funeral.

The two countries agreed, however, to meet in Moscow on March 12 to resume working-level talks on their territorial dispute. Gromyko told Abe there was no change in Moscow's position on the territorial question, and called the Nakasone cabinet's attitude toward the Soviet Union "unfriendly."

Turkey says no to nuclear-free zones

The Turkish representatives at the mid-February five-nation conference in Athens called to discuss the creation of a "nuclear-free zone" in the Balkans, threw a most undiplomatic monkey wrench into the appeasement plans of Greek Prime Minister Andreas Papandreou. Turkish delegation head Mustafa Aksin denounced all talk of removing nuclear weapons from the Balkans as "an exercise in futility. . . . As a member of NATO, Turkey does not feel that these zones contribute to international security. They are a Soviet idea."

Aksin said his country would be willing to discuss economic, technical, scientific, and educational issues, but would like the nuclear issue to be "dropped altogether in future discussions."

Italians feel heat on Libyan connection

An *EIR* conference in Rome Feb. 15 held to release our dossier, "The Nazi-Soviet Alliance Behind International Terrorism," posed to the Italian government the question of its close relations with Qaddafi's Libya. The murder of the top U.S. anti-terrorist official in the Mediterranean region, Leamon Hunt, in Rome the preceding day, had made the issue urgent for the audience, which included Italy's foremost expert on Islam, the chief of the Rome police investigative office, two retired generals, representatives of three Third World embassies, and members of the press.

After *EIR*'s Leonardo Servadio and Pao-

lo Vitali had briefed the assembly on Henry Kissinger's role in creating the superheated Middle East catastrophe, and the terrorist networks described in the *EIR* dossier, General Bonifazi, former head of the Italian Bersaglieri (special attack troops), intervened to expose how Italy's Agusta firm provides the Libyan government with training planes and military trainers, fueling terrorism in Italy.

A news conference on the same subject in Paris drew over 50, including representatives of the intelligence and diplomatic community, and young supporters of former president Valéry Giscard d'Estaing. Journalists from three major newspapers attended. Three hours of presentations led to an intense discussion which examined the basis for the alliance between the seemingly disparate cultures of Soviet Russia and fundamentalist Islam.

Secessionists murder Indian diplomat

The kidnapping and murder of an Indian diplomat in Birmingham, England by a group calling itself the "Kashmir Liberation Army" was only the tip of the proverbial iceberg of anti-Indian operations focusing on the strategic Kashmir area.

The KLA terrorists who kidnapped Ravindra Mhatre on Feb. 3 demanded a million-dollar ransom and the release of their leader, Maqbool Butt. Butt, a Kashmiri secessionist agitator, was being held in an Indian prison, convicted of killing an Indian government official.

The Indian government rejected the blackmail. On Feb. 9, following Indian President Zail Singh's rejection of a plea for mercy, an Indian judge ordered Butt's execution.

Sources confirm that the KLA has made common cause with the so-called Khalistan secessionists in the neighboring state of Punjab, who seek the "liberation" of the Sikh population from the Indian nation. "Khalistan" is headquartered in London around its leader Jagjit Singh Chauhan, who maintains

links with the Swiss Nazi financier François Genoud.

The Kashmir government, under the administration of Chief Minister Farooq Abdullah, has also brutally repressed members of Indira Gandhi's Congress Party who have opposed the secessionists.

In a recent interview with the London *Financial Times*, Congress Party General Secretary Rajiv Gandhi mooted the ouster of Farooq and imposition of "president's rule" in the troubled state, a good indication that New Delhi is considering drastic measures. Reports of armed training camps for Sikh extremists inside Jammu and Kashmir near the Punjab border, have confirmed New Delhi's concerns.

Apart from threatening the integrity of the nation, provocations around the Kashmir issue inevitably exacerbate the tense and difficult relations with Pakistan, which still occupies the part of Kashmir it invaded after the 1947 partition of the subcontinent.

Soviets behind new Sudan civil war?

Separatist violence in southern Sudan is threatening to engulf the country in a civil war. On Feb. 14, three hundred people were killed when guerillas fired on and sank a riverboat on the White Nile.

It was the worst incident in a series of attacks by separatists who, in the words of the Feb. 14 *London Guardian*, "could reunite the South in concerted opposition." The guerillas, grouped under the name "Anyanya II," aim at a replay of Sudan's 17-year civil war, which ended in 1972.

This has raised the spectre of a coup against the Nimeiri government, as well as regional chaos threatening Egypt.

President Nimeiri has charged that Libya is conspiring to partition Sudan.

Recent terrorist incidents target the government-sponsored development projects, such as the Chevron oil drilling and the Jonglei Canal project. Both operations have been suspended after French construction workers at the sites were killed or kidnapped.

Briefly

● **FRANZ-JOSEF STRAUSS** announced Feb. 14 that he is making a "two-day visit to Damascus upon personal invitation by the Syrian President Assad." Rumors circulated that Strauss was trying to "mediate between Syria, Israel and the U.S.A." But a working group which is collaborating with Britain's Lord Caradon, Henry Kissinger, and the head of the Soviet Institute of Orientology, Evgeni Primakov, is based in Strauss's own governmental office in Munich, and pushes the idea that "the Europeans, the parties in that region and the Soviet Union as a concerned, neighboring party know better what to do in the Mideast than the Americans."

● **TASS** compared French President Mitterrand to "warmonger" Ronald Reagan after Mitterrand's Feb. 8 speech in The Hague, Netherlands calling for Europe to join in building a space-based defense system against nuclear attack. The Soviet news agency *Novosti* added that "the allegations according to which orbital military stations and laser-fighting capabilities are aimed at purely defensive goals can only convince naive persons."

● **JEROME LEJEUNE**, the "pro-life" eugenicist, was selected to be the Pope's "personal representative" at the funeral of Yuri Andropov, the Pontifical Academy of Sciences and the Vatican confirmed Feb. 14. A spokesman for the Academy said Lejeune would meet with Soviet academicians.

● **GEYDAR ALIYEV** met with his Chinese counterpart, Deputy Premier Wan Li, at the Andropov funeral. Although the outcome of the talks has been reported only as "substantive progress," the meeting was the highest level U.S.S.R.-China session since 1969.

Turning the White House over to Henry Kissinger

by Graham Lowry

Henry Kissinger became the hottest issue in the Reagan White House during the week of Feb. 13, as the former secretary of state launched a drive for outright control of the Reagan administration.

The "practical" men around the President are telling him that he has no choice but to make a deal with Kissinger and Kissinger's Eastern Establishment sponsors, such as David Rockefeller, given the pressures of the re-election campaign. That advice will lose Reagan the election as well as the country—but it is having an impact.

On Feb. 13 it leaked out that the President, who was elected by American voters who despised Jimmy Carter's Trilateral Commission regime, would host a reception for the Trilaterals during their meeting in Washington April 1-3. Such red-carpet treatment for the Kissinger crowd—Kissinger moved over to direct Rockefeller's Trilateral Commission when Carter moved into the White House—further indicates Kissinger's tightening grip over administration policy making. It's almost like inviting the Mondale campaign in for tea.

The latest demonstration was the forced resignation of Special Envoy to Central America Richard Stone on Feb. 16, and his replacement by Harry Schlaudeman, longtime Kissinger hatchetman and Kissinger's on-the-scene operative for the bloody 1973 coup in Chile.

Intelligence sources also report that during the time officially scheduled for Kissinger's mid-February vacation in Acapulco, he instead was dispatched on a secret mission to the Middle East, involving meetings with Syrian, Lebanese, and Israeli officials. Kissinger allies Robert McFarlane, the

National Security Adviser, and Secretary of State George Shultz were prime movers in the drive to force the United States out of Lebanon and collapse U.S. influence throughout the Middle East. Before leaving for his own announced vacation in the Bahamas on Feb. 16, Shultz virtually wrote off any prospects for a continuing U.S. role, declaring in Boston, "I can't resist using that old image that the light you see at the end of the tunnel may be the train coming towards you. The situation in Lebanon is marked by violence, and is in no way satisfactory and is not at all what we have been trying to bring about."

The so-called Soviet peace offensive

The Pugwash appeasement crowd in the Republican Eastern Establishment and the wing of the Democratic Party run by former Ambassador to Moscow Averell Harriman are backing the Kissinger coup project, so he can sell out the United States in a "New Yalta" deal with the Soviet Union. Since the death of Soviet President Yuri Andropov was announced, the liberal media and think tanks have poured forth propaganda designed to foster the illusion that the changing of the guard in the Kremlin means "new openings" to negotiate "détente" and "arms control" with the Russians.

In *EIR*'s Jan. 31 issue, we published part of a speech Kissinger gave on Jan. 13 in Brussels, headquarters city of the NATO alliance, calling for the creation of a special presidential envoy to put East-West negotiations on a "back-channel" basis of private talks. Within hours of the announcement of Andropov's death, Kissinger declared, "I expect a Soviet peace offensive in the next months, because they will

have to sort out the leadership question." That bald-faced lie was Kissinger's public version of his backroom bludgeon-and-blackmail campaign to seize control over U.S. strategic policy.

Kissinger's pawprints on U.S. foreign policy were detected during Vice President George Bush's pilgrimage to Moscow for Andropov's funeral. Bush, a former member of the Trilateral Commission, took a message from Reagan to Chernenko which sources in Washington report was in the spirit of Kissinger's Brussels proposals.

Bush announced that the statement "conveyed the President's determination to move forward in all areas of our relationship with the Soviets, and our readiness for concrete, productive discussions in every one of them." Bush called the "spirit" of his own meeting with Chernenko "excellent" and added that he believed "we can build from there."

The appeasers are currently poised to move rapidly, using Bush as a temporary "go-between" with Moscow until Kissinger's proposal for a special envoy is implemented. According to a top Carter official, Kissinger is the preferred choice of the arms-control elites for special envoy, but his nomination is not yet regarded as politically feasible. As a stand-in, Kissinger's long-time flunkey and the executive director of Kissinger Associates, Brent Scowcroft, is the current favorite.

"Scowcroft is perfectly acceptable," the Carter official stated. "He is the same as Kissinger," and Kissinger would play a critical role in shaping all policy decisions under Scowcroft.

Within the administration, the Harrimanites are looking to White House Chief of Staff James Baker and his deputy Michael Deaver—just as Reagan's conservative supporters have feared—to push the President into creating a "back-channel" special envoy to Moscow. The Harrimanites report that Baker and Deaver are telling President Reagan that dramatic action on arms control is required to "guarantee" his re-election. "Baker and Deaver are realists," the former Carter official said. "They are important assets." In addition, the media will step up its propaganda barrage against Reagan's "inaction" on arms control.

Harrimanite sources report that the White House is being advised by the Kissinger-Harriman group to restructure "the framework of arms-control negotiations," merging the so-called Euromissile talks with the strategic-arms negotiations, under a single negotiating team, as the Soviets have demanded. The rationale is that such restructuring will make it easier for the Soviets to return to the negotiating table, and also permit the United States to seek an interim arms-control agreement.

Moscow is also putting out the word that it will respond "favorably" to such overtures from Washington. But the Soviets have made it clear that they intend to reject any and all U.S. negotiating offers. Instead they expect to have Kissin-

ger and his fellow appeasers in power to negotiate the strategic surrender of the United States during a full-scale U.S.-Soviet confrontation.

Even the current public clamor by the Harrimanites for negotiations with Moscow makes no claim that the Soviets will pull back in their global drive for empire. Dimitri Simes, a Harrimanite analyst for the Carnegie Endowment, wrote in the *Christian Science Monitor* Feb. 15, "No one can predict whether the Soviets will respond to any American overtures that are short of major concessions. . . . Still, Andropov's replacement—even if he does not change much substantively—provides the U.S. administration with a good excuse to communicate its interest in normalization to the Politburo. But for this message to be taken seriously in Moscow, it has to be delivered subtly and tactfully, and certainly without the insistence that the Soviets are obliged to reciprocate right away."

The President's allies are most concerned about electoral image, not policy disasters.

To foster such delusions of "peace around the corner," Kissinger's cronies inside the administration are mootng a possible summit meeting between Reagan and Chernenko. Following Bush's return from Andropov's funeral, word leaked to the press that Bush reported to the President that there is "a whole new ballgame" with the change of Soviet leadership and that a summit was now possible. The Harrimanite press has promoted this fraud with the added claim that such a summit would have "obvious political advantages" if held this fall during the election campaign. Washington sources report that Sen. Paul Laxalt (R-Nev.), the head of the Reagan reelection team, is peddling the same line.

Some signs of counterattack

Kissinger's increasingly prominent role in the administration—and the resulting string of disasters ranging from the Middle East to Central America—is a subject of concern but not yet an issue for direct action among the "kitchen cabinet" and other old friends and political allies of the President. Their primary concern is less over policy than the President's standing with his supporters.

No friends of Kissinger, these men want the President to appoint a replacement for Ed Meese, the White House adviser nominated to become Attorney General. With Meese out of the White House inner guard, following the earlier transfer

of National Security Adviser William Clark to the Interior secretaryship, conservatives fear that Trilateral Commission congenials James Baker and Michael Deaver have cut off the President from old and trusted friends, and will tilt the White House policy apparatus to Kissinger's advantage. Leading Republican conservatives plan to meet soon to mount pressure on the President to name an acceptable replacement for Meese.

Baker and Deaver oppose such a move, Sen. Steven Symms (R-Idaho) reported recently, claiming it would lead to "unnecessary contention and infighting." But without such a counterweight to Eastern Establishment influence, as White House aide Morton Blackwell observed recently, Reagan's conservative supporters are likely to desert him in droves.

Moscow is betting that election-year pressures on Reagan will cause him to back down in the strategic confrontation that the Soviet military junta—fronted for by Andropov, his successor Konstantin Chernenko, or whomever—remains committed to force over the months ahead. Kissinger's babbling about a new Moscow "peace offensive" is rather a proposal for a "surrender offensive" by the United States, to be accepted by President Reagan in order to overcome the "warmonger" image projected by the media to the electorate.

The U.S. Press leers at White House infighting

Excerpts from an article by George Archibald in the Washington Times of Feb. 13:

President Reagan has agreed to meet with his "kitchen cabinet," a group of influential business friends, to discuss the possibility of appointing a prominent conservative to replace Edwin Meese III as his White House counsellor, it has been learned.

The President, who said he does not plan to fill the post when Mr. Meese becomes attorney general, agreed to the meeting Thursday in a telephone conversation with Colorado brewing magnate Joseph Coors, *The Washington Times* was told.

Mr. Coors was in Washington to promote the addition of an influential conservative to the president's inner circle of advisers. He is a leading candidate for the post.

The "kitchen cabinet" meeting will take place in about three weeks. . . . Other members of the group include William A. Wilson, recently named U.S. envoy to the Vatican; California business executives Holmes Tuttle, Earl M. Jorgensen, and Jack Hume; and Jack L. Hodges of Oklahoma City.

Proponents of filling Mr. Meese's slot are said to believe White House staff director James A. Baker III and Michael K. Deaver, another top lieutenant—both considered pragmatic moderates—will isolate Mr. Reagan and move White House policy making in a more liberal direction. . . . About 14 GOP senators are reportedly behind the move, said to be backed by Interior Secretary William P. Clark, CIA Director William J. Casey, Defense Secretary Caspar W. Weinberger, and several prominent GOP political leaders.

Rep. Trent Lott (R-Miss.), House Republican whip, said it would be "a mistake" not to fill the slot with a high-profile conservative. "I think that additional voice is an important one that needs to be heard. It might keep some problems from developing."

From a Feb. 13 column by Rowland Evans and Robert Novak, titled "Succumbing to the Establishment":

As he was indignantly denying the need for Joe Coors or any conservative activist other than himself in the White House, Ronald Reagan routinely approved an event certain to infuriate his right-wing constituency: an April 1 presidential reception for Trilateral Commission members.

The Trilateralists are seen by the conservative movement as symbolizing the international establishment targeted by Reagan's right-wing populist supporters of 1976 and 1980. The commission members—consisting of business, intellectual, and political leaders from the United States, Western Europe, and Japan—are far from the communist sympathizers portrayed by the paranoid Right, but tend to an elitist, antipopulist world view. Thus, the April Fool's White House party illustrates insensitivity, shared by Reagan, toward his core constituency.

The most conservative president since Calvin Coolidge faces trouble from the Right for succumbing to the establishment on issues far more important than the Trilateral Commission. Back-bench House Republicans are nearing open revolt protesting Federal Reserve Board and State Department policies that threaten calamities for the economy and Lebanon. Reagan's State of the Union, enveloped in euphoria, seems buried in a past more distant than Jan. 25.

It was during this euphoric afterglow that Chase Manhattan Bank Chairman-emeritus David Rockefeller informed the White House that the Trilateral Commission was meeting in Washington April 1-3. The famed international banker, symbol of the Trilateralists, asked whether the commission's members might be received by the President.

The reception was quickly approved, with the stipulation that it be announced eventually by the White House rather than by the commission. When the April 1 date appeared on Reagan's closely held advance schedule, one politically astute insider assumed it was a tired April Fool's joke. . . . It was no joke. . . .

Confusion among the European-American elites

by Lyndon H. LaRouche, Jr.

Recently, there has been a scattering of published "think-pieces" from some leading publications in Europe and the United States, each arguing that there exists presently a grave and ominous moral crisis among the established leaderships of Europe and North America. The common point of these various published pieces is "confusion and disarray among the elites."

The writings on this theme include: Stanley Hoffman, "To Reduce European Anxiety," *New York Times*, Feb. 6, 1984; Marshall D. Shulman, "A and B Discuss the Soviet Union," *New York Times*, Feb. 7, 1984; Seweryn Bialer, "Kremlin, Insecure, Might Increase Risks," *New York Times*, Feb. 5, 1984; and Gregory Flynn, "Public Opinion and Atlantic Defence," in *NATO Review*, December, 1983, which is based on the book, *The Public and Atlantic Defense*, edited by Gregory Flynn and Hans Rattinger, a study sponsored by the Atlantic Institute for International Affairs in Paris scheduled for early-1984 publication.

The bellwether of the moral crisis to which these think-pieces allude is the recent transformation of Britain's putative "Iron Lady," Prime Minister Margaret Thatcher, into a new "Neville Chamberlain." It is generally understood that this shift in Mrs. Thatcher's policy has been imposed upon her by forces identified within the United Kingdom as "the Establishment," by forces typified by Henry A. Kissinger's business-partner and mentor, Peter Lord Carrington, the recently appointed secretary-general of NATO. In the United States itself, and not accidentally, the confusion is traced to circles associated with Henry A. Kissinger's reentry into the federal government, and Kissinger's "Neville Chamberlain" role as associate of an Aspen Institute working to "decouple" the United States strategically from its Western European allies.

The immediate center of the weakness of vacillation among the elites of Europe and North America is the military

coup d'état now being consolidated in the Soviet Union. As Lord Carrington stated to a caller during April 1983, the subsequently deceased Soviet general secretary, Yuri Andropov, was considered by the British Establishment to be a "strategic asset" of the circles which include Carrington, Kissinger, et al. The close connection between Andropov and KGB General Harold "Kim" Philby illustrates the grounds upon which Lord Carrington viewed Andropov as a British strategic asset. Andropov is now no more, but the Carrington-Kissinger crowd are still desperately attempting to bring off a counter-coup against the "Russian Party" which has seized power in Moscow.

There is an analogy to the present situation in the British Establishment's policies into 1938. Let there be no side-stepping simple, incontestable facts of history on the latter account. The Morgans and Harrimans of New York City actively and openly supported both Mussolini and Hitler into about 1938, and did so in part for reason of stated admiration of Hitler's "racial hygiene" policies. The emergence of the Hitler-Stalin Pact, in negotiations under way during 1938, combined with the disgusting pragmatism of Prime Minister Neville Chamberlain in the matter of Hitler's invasion of Czechoslovakia, induced a state of alarm among some British circles known as the "Churchillian Reflex." For about a quarter-century to date, the Anglo-American Establishments have repeated their earlier, pre-1938 accommodation to Hitler and Mussolini, in the form of back-channel negotiations with Moscow through such conduits as Bertrand Russell's Pugwash Conference series. The doctrines of Nuclear Deterrence, Flexible Response, and Arms Control were imposed upon the United States and NATO as a consequence of earlier agreements between the Anglo-American Establishment and Moscow, agreements reached beginning in the 1955-58 period.

Now, with Moscow, as earlier with Hitler, long-standing

Anglo-American strategic policies have backfired, and there is confusion among the elites.

The Anglo-American elites have assumed, for about a quarter-century to date, that by adhering to the strategic policies negotiated with Moscow—Nuclear Deterrence, Flexible Response, and Arms Control—the Soviet policy-makers would be induced to keep their side of the bargain, and adhere to the same policies from their side. Yet, beginning the publication of Marshal V. D. Sokolovskii's *Soviet Military Strategy*, during 1962, the Soviet Union has consistently used Nuclear Deterrence's *adoption by the West* as the means of deception through which to build up Soviet strength to the point that Moscow could survive and win a thermonuclear war against the United States. To the degree the Sokolovskii Doctrine has been acknowledged to exist by leading Western

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strategic planners, the spokesmen for the Anglo-American Establishments have insisted: "Yes, the Sokolovskii Doctrine exists, but the political command in Moscow will keep their military under control."

Now, the military has seized control through a coup d'état launched during August 1983. The sudden disappearance [perhaps death] of General Secretary Yuri Andropov at that time, and the ensuing assertion of military control by Marshals Ustinov and Ogarkov in connection with the shooting-down of KAL 007, are the signal events of that coup d'état. Now, instead of the Pugwashers controlling the wielders of the Sokolovskii Doctrine, the proponents of the Sokolovskii Doctrine have the Pugwashers running errands for the Soviet military.

The time for a new "Churchillian Reflex" has come. However, to accept that fact means to scrap entirely the "post-

industrial society" doctrine which has been almost successfully imposed upon the United States and Western Europe as a by-product of Pugwash Conference strategic doctrines. It means scrapping everything dearest to Bertrand Russell's (Robert M. Hutchins's) Aspen Institute, to (Russell's), Hutchins's, and McGeorge Bundy's Ford Foundation, the Rockefeller Foundation, RAND Corporation, Stanford Research Institute, and most of the New York Council on Foreign Relations. Naturally, these circles seek desperately some solution to the strategic crisis, but desire only a solution which does not upset and scrap the "post-industrial society" doctrine.

Among the Anglo-American Establishment circles, it might be said that they are awaiting the emergence of a new Winston Churchill. As Churchill's postwar policies attest, he never rejected the long-range utopian policies of H. G. Wells, Bertrand Russell, et al. He was truly a spokesman for the prevailing long-range policies of the Anglo-American Establishments, and was thus, with some reluctance, entrusted with the duty of temporarily shelving those long-range policies in face of the unexpected turn of the Hitler developments about 1938 onward. This is to emphasize that those Establishments will not gladly tolerate a leader for the West who does not come from their own ranks.

The Establishment's wish to overlook the fact that the guiding hand of World War II was not Churchill, but President Franklin D. Roosevelt. True, Roosevelt was a "patrician" of the U.S. Establishment, as Churchill was an aristocrat of the British Establishment. On that account, the Anglo-American Establishments restively tolerated Roosevelt's leadership. Nonetheless, it was Roosevelt who won the war, by unleashing the U.S. military tradition exemplified best by General Douglas MacArthur, as otherwise echoed by the best U.S. commanders in the European theater, such as General Patton. Elliot Roosevelt's *As He Saw It* underlines the crucial policy-differences between Roosevelt and Churchill, just as Henry A. Kissinger endorsed Churchill against Roosevelt, in Kissinger's May 10, 1982 address to a public audience at London's Chatham House.

The root of our strategic, and most domestic, problems today is the fact, as Kissinger stated in his May 10, 1982 Chatham House address, that since the untimely death of President Roosevelt, on April 12, 1945, U.S. foreign-policy has been dictated by the British Establishment. Kissinger insisted, in that address, that every postwar U.S. Secretary of State, himself emphatically included, had been a servant of the British Establishment first, and the United States only when U.S. interests did not conflict with policies of the British Establishment. Thus, because of gentlemen of Kissinger's inclinations, the United States, which had won the war, lost the peace.

The issue posed by foreign-controlled U.S. secretaries of state—as Kissinger publicly professed himself to have been—is most readily illustrated by the conduct and outcome of

U.S. policy toward Latin America, better named "Ibero-America." That region of the world, today representing about 350 million persons, shares with the United States the same political philosophical origins as our own republic: The republican movement of Ibero-America has always been an outgrowth of the same 1766-1789 trans-Atlantic conspiracy, then extended from Leibniz's Petersburg Academy in Russia, through the court of Spain's Charles III, into the republicans of Spanish America. Together, Ibero-America and the United States represent about 600 million people. If U.S. capital-goods-producing potential were unleashed to foster the economic development of our neighbors to the south, the economic collaboration would produce quickly an economic superpower beyond the wildest dreams of all but a few today: an immense bastion of republican power in the world as a whole. Yet, our policy over the postwar period to date has been chiefly a commitment to the ruin of our neighbors to the south. The past and present policies of Henry A. Kissinger toward that region exemplify the manner vital U.S. strategic interests have been vastly undermined, almost destroyed by the post-April 12, 1945 overthrow of the policies of President Roosevelt.

In Africa, we are presently following a policy of literal genocide against the black African population. Of the approximately 400 million total population of that vastly underpopulated continent (of which Nigeria alone represents about one-quarter of the total), today approximately 120 million black Africans are threatened with genocide through famine, epidemic, and correlated civil strife, and an estimated 60,000 a day are currently reported dying of these causes. Only the kind of economic development which President Roosevelt projected for postwar Africa could stop this genocide, but we support those policies of the Swiss and Anglo-American Establishments which demand "red-lining" of black Africa, policies which can have no outcome but the genocidal death of tens of millions of black Africans. Yet, Kissinger professes to be foremost in his fear that Moscow will subvert black Africa before his policies might succeed in destroying that continent.

In the Middle East, we count Israel as our leading ally, and yet our State Department is demanding that Israel collapse its economy, through the same kinds of policies we have dictated, in concert with the Swiss bankers and IMF, to Ibero-America.

During the 1950s, President Eisenhower's atoms-for-peace policies fostered positive relations with Prime Minister Jawaharlal Nehru's India. India today is a nation of about 700 million people, the fourth-largest industrial power in the world, and the leading strategic power in the Indian Ocean region. For nearly two decades, the U.S. State Department has excelled even itself in attempting to turn India into our adversary.

In continental Southeast Asia, the United States ceased to be a credible force since about 1972, chiefly due to the

work of Henry A. Kissinger and his teams. Through policies espoused by Kissinger, we are ruining our relationship with the second power (after India) of the South-Asia region, Indonesia.

Our relations to Japan are obscene in large. Again, the worsening of these relations date from Kissinger's reign at National Security Council and State Department. While we have been destroying our steel, auto, and other industries at home, Japan has "unfairly" continued policies of high-technology investments which we abandoned. Under Kissinger and others, we demand of Japan that it be "fair" by destroying its economy as we have destroyed our own. For example, Toyota's studies report that during the early 1950s the efficiency of U.S. capital-investment in auto-production was eight times that of Japan's auto industry; today, Japan's is

The time for a new "Churchillian Reflex" has come. However, to accept that fact means to scrap entirely the "post-industrial society" doctrine which has been almost successfully imposed upon the United States and Western Europe as a by-product of Pugwash Conference strategic doctrines.

eight times as efficient as our own. We demand, in effect, that Japan subsidize the mismanagement of the United States' auto industry, the mismanagement of our steel industry, and our willful ruin of U.S. agriculture.

We ought to be cooperating with Japan in programs for economic development of the Indian Ocean and Pacific Ocean basins. Instead of working together to create capital-goods markets in Asia and Ibero-America, we are squabbling over the price at which our two economies "take in one another's laundry."

These monstrous strategic errors of our foreign policy toward the nations of Ibero-America, Africa, and Asia, errors which contribute to the economic downfall and political erosion of export-hungry nations of Western continental Europe, are the root of our strategic crisis today. If we were to take seriously the plans of the Soviet military dictatorship to es-

tablish its imperial rule in the world during the months and years immediately ahead, these are the policies which must be changed to provide the indispensable political and logistical strategic bases for our security.

These are the facts which bear most directly upon the "confusion among the elites." Their policies have failed miserably, as the Soviet military coup d'état informs them most precisely of this fact. Yet, they desire to consider only those solutions to the crisis which do not return the alliance to the policies associated with President Roosevelt's projected postwar designs. For lack of any solution acceptable to their "post-industrial society" designs, they propose to send Henry Kissinger and his Brent Scowcroft to Moscow for "back-channel" negotiations, to negotiate the unnegotiable, *to attempt to shift Moscow back to a pre-military coup d'état policy*. In short, out of hatred against the memory of President Franklin Roosevelt, the Anglo-American Establishments are devoutly dedicated to solutions which assuredly will fail, just as was Neville Chamberlain's faction during the pre-June 1940 period.

However, the picture is more complicated—fortunately. The "Western elites" are not limited to the ranks of the Anglo-American Establishments. Partly opposed to those Establishments, but also partly overlapping them, the nations of Western Europe and the United States each have leading strata whose political philosophical outlook is predominantly nationalist and republican. Typical are leading military professionals whose political thinking tends toward the tradition of Lazare Carnot and General Scharnhorst; these strata also include elements of the entrepreneurial ranks, leading professionals, especially in the physical sciences, high-technology farmers, and leaders of some trade-union and other popular organizations. From such latter strata, in Western Europe (Britain, Spain, France, Germany, Italy, and so forth), and in the United States, there is a restiveness at present. As the political self-confidence of the Establishments is undermined by a real crisis, and their own lack of a real solution to the worsening crisis, the relative influence of the republican patriots tends to increase.

This is the key to the massive, multi-million-dollar deployment against the LaRouche campaign, for which the January 30, five-minute editorial statement on NBC-TV's "Nightly News" is but the tip of the iceberg. "The LaRouche Phenomenon," to describe the matter as the Establishments view it, is the growing success of economist, editor, and Democratic presidential candidate LaRouche in promoting the emergence of a loosely coordinated, but increasingly potent international upsurge among patriotic republican elite-forces not only inside the United States and nations of Western Europe, but also Asia, Africa and Ibero-America.

For example, since October 1982, the principal efforts of Henry Kissinger's Kissinger Associates, Inc., AFL-CIO President Lane Kirkland's AIFLD, and such State Department officials as Schlaudeman in Argentina have been directed chiefly against LaRouche's influence throughout Ibe-

ro-America, and very little else. The fight by Kissinger himself, his crony William D. Rogers, and others, has been directed against the influence of a book-length economic-policy document, *Operation Juárez* issued by LaRouche during early August 1982. *Operation Juárez*'s policies have since appeared as adopted policies of continental agencies of Ibero-America, as well as governmental figures and other leading circles in most of the nations of Ibero-America. Kissinger's assignment, from his employers in London, Switzerland, and New York City, has been to "stop LaRouche's influence" in Ibero-America.

Similarly, a massive operation involving Kissinger, Irving Brown, Lane Kirkland, the FBI, and rotten elements of the State Department, has been deployed to attempt to neutralize LaRouche's influence in Western Europe, in Africa, and in Asia. In all these cases, Kissinger's and Kirkland's efforts overlap anti-LaRouche efforts by the Soviet KGB and GRU, and are sometimes done in collaboration with KGB-GRU channels.

The issue is not LaRouche as an individual. The issue is the tendency of LaRouche's influence to catalyze a more effective insurgency from patriotic republican circles of influence in those nations, to supply such circles with a strategic policy-matrix through which to coordinate strategies to be adopted among the various nations involved to a common purpose for a common interest. The thought by the forces behind NBC-TV's multi-million-dollar operations against LaRouche is that if LaRouche can be isolated and destroyed, the threat of the forces he represents can be neutralized. Their view is that LaRouche is the only visible personality who might unify such forces into effectively coordinated policy-action at this juncture. For that reason, as former Allen Dulles chief of staff Tom Braden said at the conclusion of a Cable News Network "Crossfire" broadcast on January 31, LaRouche is considered "dangerous" by the Swiss and Anglo-American Establishments.

What frightens them is not LaRouche himself. What frightens them is their own confusion in face of the worst strategic crisis in modern history. They fear LaRouche more or less as much as they fear the military dictators in Moscow. LaRouche's efforts might save them from Moscow's strategic threats, but they fear that if LaRouche is permitted to assume leadership of the United States during this crisis, LaRouche would use that position of leadership to reshape the world more or less as President Franklin Roosevelt projected for the postwar period. That latter outcome the Establishments hate more or less as much as they fear the prospects of becoming slaves of Moscow.

Thus, the tendency among the Establishments is to borrow some of LaRouche's proposed strategic policies, in a slightly modified form, but to also destroy LaRouche himself. This tendency is growing among the Establishment's ranks, although not yet predominant. That, as briefly as possible, is the reason some Establishment press-outlets are reporting disarray among the elites.

NBC faces a \$60 million libel suit by The LaRouche Campaign

Democratic Presidential candidate Lyndon H. LaRouche, Jr. sued the National Broadcasting Company for \$60 million on Feb. 10, in a defamation and conspiracy action filed in the United States District Court for the Eastern District of Virginia. Defendants named in the lawsuit, in addition to NBC, are NBC reporter Brian Ross, NBC producer Pat Lynch, the Anti-Defamation League (ADL) of B'nai B'rith, Abbott Rosen, Dennis King, and Chip Berlet. Rosen is a Chicago ADL official; King and Berlet describe themselves as freelance journalists. Berlet has been an editor of, and King a contributor to, *High Times* magazine, which promotes the use of drugs.

Not named in the suit, but under investigation, are high-ranking officials of the Democratic National Committee around party-boss Charles Manatt. Manatt and his henchmen have been working with whomever they can muster to stem LaRouche's growing influence in the Democratic Party. The extent of their desperation was reflected in part by a Manatt policy memorandum leaked by DNC political director Ann Lewis this month—a memo which a Washington state news broadcast characterized as a warning against the LaRouche Democratic “mutiny” in the party (see *EIR*, Feb. 21).

The activities of Manatt and his associates, however, represent only the partisan political end of the larger conspiracy at issue in the NBC lawsuit. NBC's defamation campaign against LaRouche was ordered at the highest levels of the Anglo-American political establishment—an establishment which is determined to force President Reagan into an appeasement posture vis-à-vis the Soviet Union. As might be expected, NBC's defamation effort against LaRouche involves illicit cooperation by U.S. and foreign intelligence agents—a fact which will be fully documented in discovery proceedings in the lawsuit.

Conspiracy against the campaign

LaRouche is suing NBC for its Jan. 30 NBC Nightly News Special Report which was broadcast throughout the United States. In the program, reported by Brian Ross for NBC, LaRouche was accused by NBC and Ross of leading a cult, a hate group which engaged in violent tactics. Defendant

Rosen was paraded across the screen by NBC to libel LaRouche as an advocate of the theory of “Jewish conspiracies.” The intent and effect of the NBC and Rosen statements was to defame LaRouche as anti-Semitic. In order to promote the broadcast, NBC ran advertisements for the Nightly News spot throughout the United States on Sunday, Jan. 29 and Monday, Jan. 30. The promotional ads similarly accused LaRouche of leading a hate group and engaging in violent tactics.

The conspiracy count of the complaint charges that all the defendants engaged and continue to be engaged in a conspiracy to destroy the LaRouche presidential campaign. The conspiracy involves a national media defamation campaign through which the conspirators are attempting to create the climate for bad-faith law-enforcement investigations of LaRouche. In addition to crippling LaRouche's campaign, the conspirators have undertaken their illegal actions in order to undermine LaRouche's capacity to influence the Reagan administration to adopt the national emergency measures LaRouche has proposed, according to the lawsuit.

Defendants ADL, Rosen, Berlet, and King are charged with knowingly producing false information concerning LaRouche to NBC—including the defamatory statements utilized in the NBC Nightly News broadcast. Each of these defendants has been previously sued by LaRouche for libel. According to LaRouche Campaign spokesmen, the smear campaign waged by these defendants over a seven-year period is a result of LaRouche's national campaigns against drugs and the drug lobby. Rosen and the ADL have become especially desperate in their smear tactics following demonstrations of support for LaRouche's policies in Israel. LaRouche has recently supplied economic and other policy initiatives opposed by the political faction led by former Israeli Minister Ariel Sharon.

Defendants Lynch and Ross have been placed in charge of producing a series of national defamations for NBC which are aimed at the LaRouche presidential candidacy. The Nightly News feature by Ross was intended to be an advertising and promotional piece for a longer feature being produced by Pat Lynch for NBC “First Camera.”

Manatt's maneuvers

According to sources within the DNC's Washington, D.C. headquarters, a top-secret emergency meeting of attorneys took place in the DNC office during the week of Jan. 31 to plot out a plan of action to stop the growing challenge of the "LaRouche Democrats," who have already fielded a 1984 slate of 2,500 candidates through the National Democratic Policy Committee (NDPC).

At the secret meeting a decision was taken for the DNC to formally participate in what the source termed a "take-apart story on the LaRouchies" on NBC-TV's "First Camera." Despite the caution of the DNC lawyers at the meeting, who warned against "dignifying the LaRouche group as a major political movement," Manatt deployed DNC executive Lynn Cutler to grant a libelous interview against LaRouche to NBC-TV. The report from Manatt's own headquarters was that the meeting "talked about tactics of how to put some distance between us and them." The lawyers advised circulating lies and slanders against the LaRouche Democrats in "careful language such as, 'Well I have read that they are crypto-Nazis' or 'It's my opinion that they are right-wing Nazis' and so on." The attorneys are trying to restrain Manatt from being specific and driving hard, lest the DNC "draw a suit and give them more ammunition."

According to information available to The LaRouche Campaign, the NBC defamation was ordered by such leading lights of the Eastern establishment as NBC chairman Thornton Bradshaw. Bradshaw is a major figure in the Aspen Insti-

tute—a think tank which proposes appeasement of the Soviet Union and economic policies creating genocide conditions in the Third World. The Aspen Institute and NBC are bastions of support for the policies of Henry Kissinger.

According to further information available to The LaRouche Campaign, NBC's efforts against LaRouche have been backed by Henry Kissinger, James Jesus Angleton, a former CIA official, officials associated with the Federal Bureau of Investigation and the Internal Revenue Service. Such intervention into an American electoral campaign by intelligence and law-enforcement agents is illegal.

Following the NBC libel, LaRouche issued a debate challenge to Bradshaw that has since been circulated nationally through 60-second paid radio spots in major-city market areas including New York, Pennsylvania, California, and Washington, D.C.

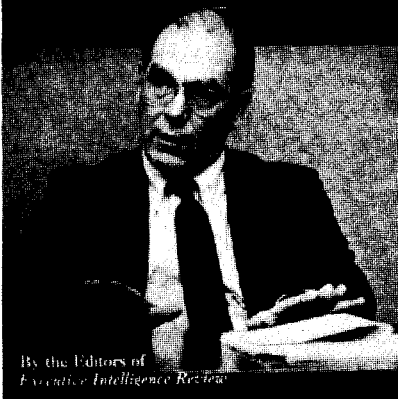
Said candidate LaRouche: "I challenge Henry Kissinger's crony Thornton Bradshaw to face me on a national TV news feature to defend himself against his network's using libels cooked up by members of the drug pushers' lobby, such as Chicago's Chip Berlet and New York's Dennis King, to conduct the dirtiest campaign against a Democratic candidate ever to appear on the television news media."

Bradshaw has yet to reply.

NBC, however covered the filing of the lawsuit in a Nightly News item on Feb. 15th. Interestingly, NBC's coverage of the lawsuit focuses on the fact that the lawsuit names and impeaches the sources for Brian Ross's NBC news feature.

LaRouche

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Elephants and Donkeys

by Kathleen Klenetsky

Candidate Jackson: Jonestown revisited

During the 1976 presidential campaign, associates of *EIR* founder Lyndon H. LaRouche, Jr. published a pamphlet titled "Carter and the Party of International Terrorism" which documented the terrorist connections and proclivities of important sections of the leadership of the Democratic Party around the Carter-Mondale candidacy.

Eight years later, not just Walter Mondale's operation (whose links to the Soviet KGB have been covered extensively in this magazine) but Jackson's campaign are adding new dimensions to this theme.

Reports from the West Coast say that in the past three weeks Jackson has completely reorganized his California campaign. As coordinator of his northern California campaign he has brought in Rev. Cecil Williams of Glide Memorial Church. Williams's career started way back when in the counterculture of Haight-Ashbury. Its highlights, included close connections to Jim Jones and his "People's Temple" before the transplantation to Jonestown. Williams, Jones, and Glide Memorial Church played an embarrassingly big role in getting out the vote for the Carter-Mondale ticket in '76. Jackson obviously means to be the man who cashes in on that "Big Vote" capability this time around. Yet only last December the Reverend Williams was a featured speaker at Mondale's big campaign California fundraiser; apparently Jackson beat out some high-powered competition for the Reverend's services.

In the Jackson campaign orbit in California as well are operations like "Burning Spear," the "African Socialist Party," which had ties to the late Maurice Bishop of Grenada. At the time of the U.S. intervention into

Grenada last fall, Burning Spear was activated against the U.S. operation, which they denounced as an imperialist war crime—a position they shared with Jackson backers like California congressman Ron Dellums, whose staff appeared on Radio Havana to say the same thing.

At the Democratic state convention in Oakland a couple of weeks back, "Burning Spear" unfurled banners charging the Democratic Party leadership with being "rich capitalists." All but Jesse, that is.

To Syria, to Nicaragua: Jesse the diplomat

Jackson's credibility as Man of the People grows the farther you get from these shores. In mid-February the Soviet- and Cuban-linked Sandinista government of Nicaragua invited Jackson, fresh from his "diplomatic" coup in Syria, to attend the anniversary celebration of its accession to power. Deflecting the press with the somewhat peculiar analogy that "going to Moscow for Andropov's funeral didn't tie Bush to a communist government," Jackson is still debating whether to attend.

Jackson has friends in other places. Some of his Arab connections are unsavory, to say the least. Ten thousand dollars from Libya's mad Muammar Qaddafi, whose country is an entrepôt and training ground for Soviet-, Swiss-, and Nazi-linked terrorists. And \$200,000—half to PUSH, half to PUSH-Excel—from the Arab League, whose representative at the U.N. is the mercenary Clovis Maksoud. The Arab League includes among its members Libya, the PLO, and Syria, among others.

In mid-January Saudi Arabia's quasi-government newspaper *Al-Jazirah*—which should certainly know better, as should the Saudi government itself—urged all Arabs and sym-

pathizers to do whatever they could to give a leg up to Jackson and his presidential aspirations.

The article advised on legal methods of moving Arab money into the Jackson camp and hailed Jackson as a true friend of oppressed peoples. Really! First of all, anyone who dances cheek to cheek with Muammar Qaddafi is supporting genocide against Chad and scarcely qualifies as a friend of the oppressed. And ask yourself about the integrity of the man who a few weeks back, meeting with Third World diplomats at the United Nations, had the gall to tell them that he, too, had been "born under apartheid" and that he, too, had been oppressed. Where? In America.

At the same time, the U.S. press was reporting that Jesse makes over \$150,000 per annum, placing him solidly in the top 1 percent of U.S. earners. His various front groups, like PUSH and PUSH-Excel, are certainly funded by Arab money; however, their biggest funder remains the government of the United States—through poverty programs left over from LBJ's "Great Society."

Jackson's friends include Louis Farrakhan's "New Nation of Islam." Farrakhan accompanied Jackson on his recent mission to Damascus. A year and a half ago, observers at a Gary, Indiana meeting of the New Nation (which was greeted by the city's Mayor Richard Hatcher, now a big noise in the Jackson campaign) had analyzed the Farrakhan operation as primarily a terrorist capability.

To complete the picture, there are plenty of Republican operators who see Jackson as an election-year asset. Some say Republican money too is flowing in, with the understanding that Jackson will do his utmost to torpedo Mondale.

A word of caution to those investing in Jackson: The man who has been bought by everyone may turn out to be beholden to none.

Hunt assassination: message to Reagan and Bush

Red Brigade networks acting on orders from the Palestinians were responsible for the Feb. 15 assassination of U.S. intelligence official Leiman Hunt in Rome, according to the Italian newspaper *Corriere della Sera* of Feb. 17. *EIR* has also received information pointing to Shi'ite networks acting under orders from Moscow, with complicity from the Sharon faction in Israel.

This jointly sanctioned hit occurred just hours after Hunt, one of the top American military-intelligence specialists in the Mediterranean region, left the company of Vice President George Bush, who was in Rome for a quick series of confidential meetings with Italian government and Vatican officials. According to a knowledgeable U.S. intelligence source, "The Shi'ites have surveillance on every leading American intelligence and military official in the region. If the opportunity had presented itself, they would have killed Bush. Instead, they went after a target who was as close to Bush as you could get."

Hunt, the head of the U.N. peacekeeping force monitoring the Sinai accords, was reportedly arriving at his home in a Rome suburb when his armored car was cut off entering the steel-gated driveway by a Fiat 110 carrying two "olive-skinned men." The two immediately opened fire at the rear bullet-proofed window of Hunt's car with Barretta submachine guns. Hunt traveled under tight security with a second trail car carrying two armed Italian security officers, but for reasons not yet explained, that trail car became lost or diverted blocks away from the scene of the attack, just seconds before the Fiat approached Hunt's car.

Hunt was a top U.S. security official specializing in recent years in Mediterranean affairs. He maintained a very low public profile in Rome and was not a widely identified target. His assassination came within a day of a White House meeting be-

tween President Reagan and Egyptian President Mubarak at which the Egyptian head of state reportedly complained to the President that the Kissinger-Shultz-McFarlane circles in the State Department had systematically edited or blocked personal messages to Reagan concerning attempted Egyptian initiatives in the Lebanon and other Middle East crisis situations.

'Slaughter' Schlaudeman named Reagan envoy

Harry Schlaudeman, the new special presidential envoy to Central America who replaced Richard Stone on Feb. 17, is expected to promote social chaos and bloodshed in Central America as the Kissinger Commission on Central America, of which he served as executive director, obliquely prescribed in its final report.

The *Wall Street Journal* pointed out Feb. 17 that one of the conclusions of the Kissinger report, which Schlaudeman helped write, is that "overpopulation" in Central America is a threat to U.S. national security. The problem is not so much that people are having too many children, "but of a death dearth," states the article.

Even if Central Americans suddenly stop having children, "There will still be bewildering population growth for decades because of the high proportion of young men and women now in or coming into their prime reproduction ages," states the article. "I don't know what the answer is, but someone better come up with it damned soon." Schlaudeman, who promoted genocidal policies in Chile, Argentina, and Peru, considers himself qualified for the job.

Courts say national defense is illegal

Two recent federal court decisions mean at least a temporary halt to all U.S. nuclear power-plant start-ups, and a serious com-

promise of the war-fighting ability of U.S. nuclear submarines.

In Michigan, federal judge Barbara Crabb issued a permanent injunction Feb. 1 halting work on the U.S. Navy's Extremely Low Frequency (ELF) radio transmission system for communication with U.S. ballistic-missile submarines. The ELF system would be the first and only system capable of communicating with U.S. submarines on station at significant ocean depths. Without ELF, there is no means to communicate with submarines below 30 meters' depth in the event of a Soviet nuclear attack.

In Washington, D.C., the U.S. Circuit Court of Appeals overturned a 1982 ruling of the Nuclear Regulatory Commission that would have eliminated the "financial qualification review" necessary for obtaining a nuclear power plant construction permit or operating license. According to the *Baltimore Sun*, the court decision "put at least a temporary hold on all plans to put new nuclear power reactors into operation anywhere in the nation."

After the Michigan decision, Wisconsin Gov. Anthony Earl, who helped bring the case to court, told UPI that he was happy with the ruling because "I surely think that this will give assistance to a lot of people across the country to try and stop offensive projects."

New York Times puffs 'Temple Mount' maniacs

In its high-circulation Sunday edition of Feb. 12, the *New York Times* announced its de facto support for the forces committed to dynamiting the Muslim holy shrine of the Dome of the Rock and rebuilding Solomon's Temple on that spot.

The Feb. 11 *Times* article, under the innocuous title, "Jews Return to Arab Area in Jerusalem," praises precisely the figures identified in the *EIR* Special Report issued last April, "The Jerusalem Temple Mount: Trigger for Fundamentalist Holy Wars." "At the Torat Cohanim Yeshiva, the laws of sacrifice and cleansing are being studied—laws

Briefly

● **IZVESTIYA** endorsed Walter Mondale for President of the United States Feb. 12: "Observers attribute the former Vice-President's growth in popularity to his recent political pronouncements condemning the militarist course of the present American administration. For instance, he has underlined the importance of conducting a constructive dialogue with the Soviet Union with the aim of halting the arms race. He has called for talks aimed at achieving a mutual and verifiable freeze on the nuclear arsenals of the two countries. . . . In the area of domestic politics, Mondale accuses R. Reagan of having 'placed a burden on the shoulders of low and middle-income Americans, while doing everything to spare the rich.' "

● **STAN EZROL** of *EIR* opened the question period at the Feb. 15 press conference of British Labour Party leader Neil Kinnock: "It is reported that in his home, [Druse leader and Second International vice-president Walid] Jumblatt has swastikas and photos of Adolf Hitler on the wall. Have you been there? Have you seen this? Is it consistent with membership in the Socialist International?" A somewhat less relaxed Kinnock said, "I haven't been to Mr. Jumblatt's home and I really don't see what this has to do with a press conference on my meeting with President Reagan."

● **THE NATIONAL** Democratic Policy Committee received notification Feb. 16 that a New York judge has dismissed a libel suit against the committee by Petra Kelly, a leader of West Germany's Green Party. The Kelly complaint resulted from a June 1982 *New Solidarity* article which accurately depicted the political and sexual proclivities of the Green Party leader. While the case proceeds against *New Solidarity* and other parties, the charge against the NDPC was dropped because the plaintiff could not show any connection between the committee and the alleged libel.

applicable to worship at the temple."

This Yeshiva and its sister institution, the Birkat Avraham Yeshiva, also mentioned by the *Times*, were identified by *EIR* as currently performing pagan animal sacrifices in tunnels under the Temple Mount. The figure named by *EIR* as the top Yeshiva leader performing the animal sacrifices, Mattityahu Hacoen, is portrayed by the *Times* as a devout young man who lives in the old quarter with his wife and one-year-old son and takes tea with his Arab neighbors.

But the *Times* finds it necessary to quote Jerusalem Mayor Teddy Kollek on the Yeshiva: "Quite a number among them are ex-convicts."

The fact that the *Times* has chosen to run this story is an indication of how far the Temple Mount scenario has advanced. During *EIR*'s investigation during the spring of 1983, Barbara Ledeen, wife of Kissinger-asset and "universal fascism" propagandist Michael Ledeen, was asked whether she had worked with the *Times* on the Temple Mount. "We'd love to get their help, but they just won't touch it. It's sort of controversial."

McGovern: FEC a 'Frankenstein monster'

Democratic Presidential candidate George McGovern denounced the Federal Election Commission (FEC) as a "bunch of nit-picking peanut-brains" Feb. 11 and called for its abolition.

McGovern made his comments after receiving word that the FEC had continued to deny him federal matching funds monies. Excerpts from his statement follow:

"The Federal Election Commission is the worst bureaucratic nightmare ever devised by the human mind. We have created a Frankenstein monster that is threatening to strangle political campaigns in a maze of useless regulations, maddening red tape, costly compliance harassment, and sterile paper shuffling.

"After struggling for several months with the nit-picking peanut-brains who staff this agency, I think that the Congress should

move immediately to abolish the whole bureaucratic mess. For 22 years, I dealt with virtually every agency of the U.S. government. In all these years I have never encountered any governmental agency so paralyzing and frustrating as the FEC. The only advantage that I can see to putting presidential candidates through in confrontation with the FEC torture chamber is that any candidate who survives and is elected will find negotiating with the Russians a comparatively easy and pleasant experience. . . .

"I do not lose sleep worrying about my political rivals. My enemy now is the Federal Elections Commission and the misguided reformers who devised this sabotage of the American electoral process."

UPI wire on LaRouche suit against NBC

The text of a UPI nationwide wire on The LaRouche Campaign's \$60 million lawsuit against NBC, sent out Feb. 15, is excerpted below:

"Alexandria, Va. (UPI)—Long-shot presidential candidate Lyndon LaRouche Jr., has sued NBC-TV for \$60 million for calling his race a 'campaign of hate' and his followers 'extremists in three-piece suits.'

"Edward Spannaus, treasurer of LaRouche's campaign, headquartered in New York, said Tuesday that NBC refused LaRouche time to respond to allegations against him in its broadcasts and never interviewed him.

"The defamation lawsuit, filed Friday in U.S. District Court, said broadcasts last month on the NBC Nightly News and a longer program planned for future airing on First Camera tarnished LaRouche's reputation and damaged his ability to raise campaign funds.

"The lawsuit . . . also names the Anti-Defamation League of B'nai B'rith; Brian Ross and Pat Lynch of NBC; Abbott Rosen of the Anti-Defamation League; Chip Berlet, a contributing editor of the *High Times* magazine, and Dennis King, a free-lance writer from New York."

Editorial

Chernenko

It was only a few weeks ago, on Jan. 21, that Lyndon H. LaRouche Jr. told a U.S. nationwide television audience over CBS-TV that Yuri Andropov was politically dead and that the U.S.S.R. has been run by a military junta bent on a thermonuclear showdown with the United States since at least August, when Andropov dropped out of public view. Now that Andropov is officially dead, have things changed?

Most of the major news media want you to think so. The funeral of Andropov occasioned much flapping of wings about the new opportunities to ease tensions, created by Andropov's death and an expected "succession fight." President Reagan should "signal to the Soviet Union and the world that he will now pursue every opportunity for peace," said Walter Mondale. "I would suggest to them that the time has come for a top-level dialogue," opined Zbigniew Brzezinski, who helped Jimmy Carter package up the Middle East for delivery into Russian hands. "I think the United States should be very receptive to a peace offensive," was the dictum of Henry Kissinger, running for the job of official Appeaser to Moscow.

The appointment of Konstantin Chernenko, Andropov's alleged rival, to succeed the deceased figurehead, only heightened the clamor for a deal. Has everyone forgotten that after the Korean Air Lines massacre in September 1983, it was Chief of Staff Marshal Nikolai Ogarkov who met the press to give a cocky justification of the deed? And that from then on, Ogarkov, his deputy Marshal Sergei Akhromeyev, and Defense Minister Marshal Dmitri Ustinov were more or less constantly in view, while Andropov sniffled out of sight with his alleged cold?

The detonation of war in Lebanon, the convoys of kamikaze truck bombers fanning out in the Middle East, the prewar military deployments in Europe are the projects of that military junta, not the personal accomplishments of Yuri Andropov. As the news articles in our International section indicate, the Soviet leadership is going ahead full tilt toward thermonuclear showdown.

In this context, the gambit of the "lovable" Cher-

nenko's openness to peace is being used to lock into power those figures in the West who most stand for appeasement, like Kissinger, and Peter Lord Carrington, who's running Britain's Mrs. Thatcher—so that when the showdown comes they will be in place, ready to sell out the West. Chernenko's first days in office dispelled all illusions of a Russian policy change for all but the purblind or willful liars:

● In his first speech as General Secretary of the Communist Party of the Soviet Union, Chernenko indicated that the main emphasis of Soviet domestic politics will be a campaign to take all questions of management of the national economy out of the hands of Communist Party officials. Such a drive to curtail party interference in vital matters of the economy and national security has been the trademark of Ogarkov, who first announced his program of militarization of the Soviet economy in July 1981.

● Chernenko confirmed that he is the marshals' man on issues of foreign policy when he defined Soviet peace efforts as synonymous with greater strength for the East bloc. He stated: "It is absolutely clear, comrades, that the success of the effort to preserve and strengthen peace depends in a considerable measure on how great the influence of the socialist countries in the world arena is, and on how vigorous, purposeful and coordinated their actions will be."

● The Soviet station Radio Volga has reported a continuous series of meetings between Soviet, Czech and East German soldiers with Andropov's funeral as the pretext, while significantly larger contingents of militia and regular troops were in Moscow than during the funeral of Leonid Brezhnev little more than a year earlier.

When he warned Jan. 21 of the Soviet threat, LaRouche said that the only effective response would be presidential announcement of a National Defense Emergency Mobilization of the sort effected by President Roosevelt in 1939-43. The "succession" in the Kremlin, far from buying time for the West, has made that policy more urgent than ever.

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