

EIR

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Kissinger maneuvers to finish off Reagan
Libya assigned to go on a new rampage
Debt crisis—it's back with a vengeance

The Philippines: Kissinger's next Iran?



EIR Special Reports

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EIR

From the Managing Editor

Now here is some refreshing news. Speaking at the conference on beam-weapons defense which was held in Paris on March 23—exactly one year after President Reagan adopted his new strategic doctrine—Lyndon H. LaRouche, Jr. stated, “We must commit ourselves to a good, expensive arms race.” Contrast that with the capitulation by the Reagan White House to congressional demands for deep cuts in the defense budget. And the demand for a “good, expensive arms race” was coming from the American economist known worldwide for his designs for great *civilian* economic development projects.

LaRouche was in Paris while French President François Mitterrand was visiting the United States. Both stories will be covered in next week’s *EIR*.

Another refreshing piece of news is the outcome of the March 20 primary elections in Illinois, where “LaRouche Democrats” backed by the National Democratic Policy Committee swept into nearly 60 party posts and Democratic nominations. There was much gnashing of teeth at the *Chicago Sun-Times*, which has functioned as a sewer for the drug lobby’s slanders against LaRouche and his associates since the late 1970s. (See the story on p. 55).

The honor of American democracy certainly needs to be upheld with that kind of victory. This week’s cover photo shows a sight that most Americans associate with the national disgrace of the 1979 takeover of the U.S. embassy in Teheran and the drawn-out hostage crisis. The burning of the American flag and the effigy of a U.S. President shown here took place *not* in Teheran, but before the U.S. Embassy in Manila, on the fourth anniversary of the Teheran seizure.

This week’s Special Report presents the evidence that the same highly placed U.S. traitors who designed the Iranian “revolution” are playing that game again in the Philippines. We draw your attention to Criton Zoakos’s article on the horrors of Iran today (page 28) to dispel any doubts about the consciously evil aims of those gamemasters.

Note that Monday, March 26, millions of Americans saw television presentations on “Henry Kissinger, Soviet Agent of Influence.” *EIR*’s Washington bureau chief Richard Cohen appeared on C-Span political cable network; founding editor Lyndon LaRouche went on ABC-TV for the fourth of his half-hour national broadcasts in his campaign for the Democratic presidential nomination.

Susan Johnson

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UPI
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Correction: The article titled "Klaus Barbie's Defense Lawyer Moves to Destroy the Resistance Tradition" of our March 6 issue contained an error on page 42. The article should have read: "When the French government succeeded in catching Barbie, it certainly did not ignore the fact that the statute of limitation had run out for war crimes dating from World War II. It was thus clear from the outset that Klaus Barbie would not be tried for the murder of Jean Moulin, but only for crimes against humanity, i.e., mass

deportation or massacres of civilians, mostly Jews. Thus, by trying to transform the Barbie Affair into a 'Moulin Affair,' Verges is deliberately relocating the trial outside its juridical context. "Then, playing on the technicality that the murder of Jean Moulin does not fall into the category of crimes against humanity as they were defined at Nuremberg, Verges has used the uncertainties surrounding the death of Jean Moulin to proclaim Barbie's 'innocence.'"

Kissinger steers the latest creditor gambit

by Vin Berg

At the beginning of March, Ibero-America's largest debtor, Brazil, was headed toward almost certain default—with an international banking crash looming in its wake.

Brazilian arrears on interest payments were running up to six weeks over the 90-day limit set by U.S. bank regulations on "performing" loans. To get past the March 31 payments deadline, Brazil required every penny of a promised \$6.5 billion "jumbo" loan. But private banks were refusing to disburse their \$3 billion share unless the International Monetary Fund (IMF) gave Brazil a waiver on its largely involuntary violation of September's austerity letter of intent. No such waiver was on its way from the IMF without harsh new austerity commitments from Brasilia. March 31 seemed certain to bring on a major world banking crisis.

Instead, the month will end with Brazil having received all of the jumbo, paid up all its interest arrears, and, if official estimates are to be believed, even coming out with some positive reserves left over.

Nothing had changed with Brazil to warrant this sudden pouring of billions through its accounts. On the contrary, a high-level decision had been taken in London and Basel: Argentina, not Brazil, would be the March 31 focus of confrontation between creditors and debtors.

A 'financial Malvinas'

To this end, Argentina is to be isolated from Brazil and other debtors, and crushed one way or another. If Argentina backs down come March 31, accepting harsh new austerity programs from the IMF, the country will be convulsed. If Argentina does not back down, but defaults, the country will

still be convulsed, under conditions of a total international credit and trade cut-off.

The most exposed U.S. banks, like Manufacturers Hanover, will fall back on a "safety net" first proposed over a year ago by Henry A. Kissinger, and put in place for this occasion by Federal Reserve chairman Paul Volcker.

Argentina is being subjected to economic warfare. First, the Swiss risk-analysis firm BERI, and then the U.S. outfit Frost and Sullivan, recommended no loans or commercial transactions with Argentina whatsoever. Following those reports, the country has suffered a massive new inflation, a panic capital flight, and almost daily "bad press" in the United States, Britain, and Switzerland, keeping the capital flight under way.

The decision to push Argentina to the wall was made in late February by the British and Swiss banks of the Ditchley Group cartel. The Bank of England, Ditchley founder Sir Peter Leslie of Barclays Bank, and Fritz Leutwiler's Swiss-based Bank for International Settlements, told the Americans that Argentina would not get a cent in new money to pay its interest arrears. They demanded confrontation.

"It would be a serious mistake . . . to arrange some last minute short-term credit lines to Argentina to allow arrears to be reduced," editorialized the March 13 *Financial Times* of London. "The price of missing the March 31 deadline is one which U.S. banks can reasonably afford." A day earlier, London's *The Times* wrote: "Sir Alan Walters, lately Mrs. Thatcher's economic adviser and now in Washington, has calculated that the nine largest American banks which carry most of the Latin American debt could write down the value

of their loans by 25% without causing unbearable friction in the American banking system. . . ." That was an announcement of a "financial Malvinas war."

Kissinger's policy

What emboldened the Swiss and British in this risky decision is the return of Henry A. Kissinger to power in Washington, Kissinger's policies now dominate in the White House and State Department.

All principal points of Kissinger's policy are a matter of public record. First, he personally laid out the main points of the usurers' offensive now focused on Argentina in a Jan. 24, 1983 *Newsweek* magazine article:

The first step must be to change the bargaining framework; the debtors should be deprived—to the extent possible—of the weapon of default. The industrial democracies urgently require a safety net permitting some emergency government assistance to threatened financial institutions. This would reduce both the sense of panic and debtors' capacity for blackmail.

This was Kissinger's answer, a little over a year ago, to *EIR* founder Lyndon LaRouche's 1982 "Operation Juárez" proposal, for a debtors' cartel to force formation of a new monetary system by threatening collective default.

Then, Kissinger's "Bipartisan Commission on Central America" recommended militarization of Central America, and linkage of all U.S. aid to "free market" measures—no restrictions on foreign economic holdings. Kissinger said flatly that this was meant for Ibero-America as a whole, not just Central America.

As *EIR* has reported, Kissinger's commission also presented a "secret" report to the Reagan administration, stating that the U.S. should use its military strength to crush all resistance to the IMF in Ibero-America. The term "communism" was used in place of "resistance to the IMF." The idea is to withdraw U.S. forces from Western Europe, as declared in Kissinger's March 5 *Time* magazine article, leaving those allies to the sphere of domination of the U.S.S.R., and send troops into Ibero-America against America's other allies.

Kissinger's "anti-communism," now exercised from a position on the President's Foreign Intelligence Advisory Board, is thus most useful to the Russian Empire. Kissinger's policies will plunge Ibero-America into "Thirty Years War" conditions, the "Iranization" of an entire continent.

The 'safety net'

The "safety net" required to "deprive debtors of the weapon of default," proposed by Kissinger in *Newsweek*, is now in place. Fed chairman Volcker is preparing to intervene at the point of an Argentine default to force mergers between badly exposed financial institutions like Manufacturers Hanover.



Thirty thousand Brazilian workers demonstrating last June against the International Monetary Fund and its wage-cut conditionalities.

A New York financial source told *EIR* March 5: "I have heard this rumor several times now from very high-level people, and I'm beginning to be worried. The regulators would merge Manufacturers Hanover with another large New York bank which would be experiencing similar troubles. That way they could consolidate the debt and only have to deal with one bailout situation."

That bailout measures are prearranged was confirmed when Harry Taylor, Manufacturers Hanover's own president, was selected to call in the press March 6 to announce the bankers' hard-line toward Argentina. Either the country pays up in full and bows to the IMF, said Taylor, or the banks would write off that debt and take the losses. "It is true that American banks will be hurt. . . ." wrote the *Washington Post*. "But that would only be the beginning. . . . As international credit was shut off to the Argentine economy, the effects would rapidly be visible in the commerce by which Argentina and many other countries . . . make their living."

If Kissinger and the bankers are willing to push Argentina over the edge, they do not want to have \$100-billion-debtor Brazil join Argentina. Hence the sudden green light from the IMF for disbursement of the Brazilian jumbo, and the efforts of Secretary of State George Shultz and others to re-establish Kissinger's 1970s "special relationship" with Brazil. Hence, the appearance of sudden new political tensions between Argentina's civilian Alfonsín government and Brazil's military rulers, reported to *EIR* by a high-level Argentine source: "Alfonsín is making the classic mistake of viewing Argen-

tine-Brazilian relations as a government-to-government matter, rather than nation-to-nation. The Brazilians don't like this." Such tensions, reportedly fostered by the Socialist International faction of Alfonsín's government, where Kissinger has friends, come at a time when Argentine-Brazilian unity would crush the usurers' strategy.

Debt for equity

What is being held out to Brazil are easier terms, lower rates, and wider spreads, in return for adopting a Kissinger plan known as debt for equity. In August 1983 meetings in Vail, Colorado, Kissinger unveiled this arrangement, modeled on British East India Company methods of turning debtors into outright colonies during the 19th century.

Brazilian debt is denominated in dollars, but under the Vail proposals, could be paid in cruzeiros into blocked accounts at the Brazilian central bank. Made negotiable, these accounts could be marketed to prospective foreign investors—provided Brazil eliminates restrictions on foreign investment. Creditors would be positioned to buy up wholesale those industrial, agricultural, and mineral resources which could otherwise make Brazil a great world power in the next century.

"Brazilian law still favors loans over direct investments," the *New York Journal of Commerce* quotes a Bank of America officer in Rio. "He cited reports circulating among the banking community of pending legislative changes for the area. . . . One Brazilian banker estimated that debt-for-equity swaps could absorb up to a fifth [\$20 billion] of the Brazilian debt."

Debt-for-equity amounts to: "Since you can't pay your mercilessly pyramiding debt, give us your country instead." From the standpoint of dollar-debt payments, "Brazil isn't going to make it," said one Wall Street banker. Behind the appearance of slightly more favorable treatment, Brazil is to be simply looted.

Operation Juárez?

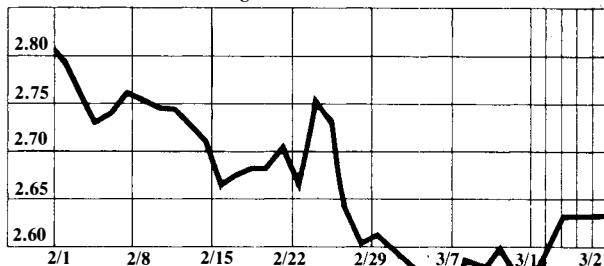
Should Kissinger continue to dominate U.S. policy, "positioning himself to become Secretary of State again," as London's *Daily Telegraph* mused recently, neither Argentina nor any other Ibero-American nation will survive the period immediately ahead.

But recently, in an interview with Mexico's *Excelsior* March 17, Colombia's President Belisario Betancur declared "United we can do it, alone we will fail. . . . We can present ourselves to the international financial community as one great Latin American nation that needs to refinance its debt." With those words, he became the first head of state to publicly endorse the "debtors' cartel" proposition contained in Lyndon LaRouche's "Operation Juárez" policy. He did so on the eve of a tour of Colombia, Venezuela, Brazil, and Argentina by Mexican President Miguel de la Madrid, for discussions related to continental economic integration along "common market" lines—the other major plank of Operation Juárez.

Currency Rates

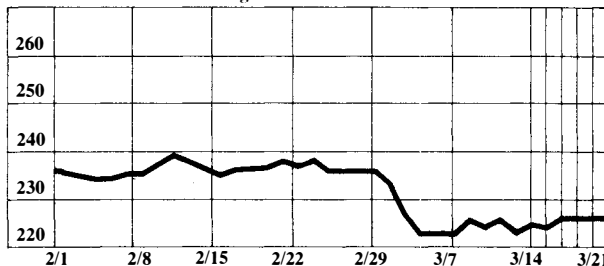
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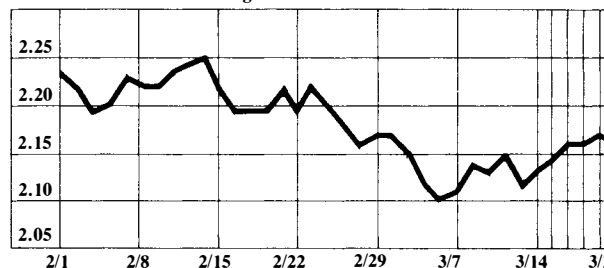
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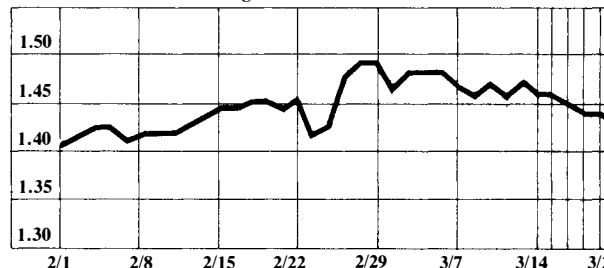
The dollar in Swiss francs

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing



Defense cuts: What's left of Reagan?

by Criton Zoakos

Henry A. Kissinger's renewed pre-eminence in U.S. strategic policy making appeared to have been firmly established when, during the evening of March 15, President Reagan appeared at the White House Rose Garden to announce to the gathered press that he had agreed with the GOP's congressional leadership to cut his defense budget by \$57 billion over the next three years.

Having already chopped Weinberger's original defense budget, which would have mandated approximately a 22% real increase in defense spending, down to 13% under the insistence of Office of Management and Budget Director David Stockman, Reagan agreed to lower real defense spending still further—to a 7.8% inflation-adjusted increase. He will now have to contend with a March 20-announced House Democratic budget which calls for an incredible 3.5-4% increase. According to *Defense Daily*, House leader Rep. Jim Wright (D-Tex.) expects the Democratic budget to call for "no more than a 4 percent real growth" increase. House Speaker Tip O'Neill has stated that the MX will not survive this year's budget process.

From all available evidence, the President's decision was made over the objections, up to the very last minute, of Defense Secretary Caspar W. Weinberger. Somewhat embarrassed, the President told the press that the cuts "will slow our defense buildup somewhat, but they will not seriously reduce our national security to a point of unacceptable risk."

The President's decision was taken one day after Henry Kissinger had participated in his first meeting of the President's Foreign Intelligence Advisory Board, to which he had been appointed several days earlier.

To many of Mr. Reagan's long-time supporters, this capitulation on the defense of the nation is the surest proof of Kissinger's hegemony over the administration. Recall the President's Feb. 8, 1982 Budget Message:

"A thorough eight-month review of U.S. strategic forces . . . found that the relative imbalance with the Soviet Union will be at its worst in the mid-1980s and hence needs to be addressed quickly. . . . Current communications and warning systems were found to be vulnerable to severe disruption from an attack of very modest scale. Current U.S. mobility

forces cannot move the required combat or combat support units fast enough to counter effectively military aggression in Europe, Korea, or in the Southwest Asian/Persian Gulf region. In the last decade, the Soviet Union introduced large quantities of highly capable, new-generation tactical equipment including combat ships, tanks and aircraft, which must be countered by modernized U.S. forces."

At that time, the President asked—and got—a \$23 billion strategic spending outlay, \$6 billion over the 1982 level to deploy cruise missiles, construct the B-1B bomber and the MX, and complete the Trident ballistic missiles fitting on the submarine fleet, with additional outlays to build a 600 ship navy and establish adequate sea and airlift capability to defend Europe, Korea, and the Southwest Asian/Persian Gulf area. Now, the President has agreed to place before Congress a defense budget package \$2 billion smaller than Jimmy Carter's 1980 projection for fiscal year 1985.

Allied in the effort to undercut the defense budget were Senate Majority Leader Howard Baker; Pete V. Domenici (New Mexico), chairman of the Senate Budget Committee; Ted Stevens (Alaska), chairman of the Senate Defense Appropriations Subcommittee; and other Republican senators and representatives. By the Congressional Budget Office's estimates of inflation, the \$57 billion cut represents for FY1985 a growth of 5% in defense spending, as opposed to the 13% growth initially requested by the administration or the 7.5% increase now agreed to by Reagan. This 5% growth was the exact figure promoted by former Secretary of Defense Robert Strange McNamara last year, and echoed by Walter Mondale.

Two days before the President's decision, the Democratic-dominated House Appropriations Committee had voted a resolution proposing a 7.5% rate of growth of defense spending for FY1985. Moreover, Domenici had demanded \$81 billion in cuts over the next three years instead of \$57 billion. The Domenici package emphasized major cuts in weapons procurement, presumed to affect the progress of the MX missile, the Trident, and the B-1B bomber programs, among others. The program approved by Reagan avoided specifying areas for cuts, but it seems that the prime victims will be readiness, operations, maintenance, and new R&D; strategic weapons programs will probably be somewhat scaled down if the Reagan compromise holds in Congress.

Concessions or a rout?

The significance of the Reagan decision goes far beyond percentage points. The way is now open to Kissinger to arrange a "New Yalta" accord with the Soviets. The military aspect of this geopolitical redivision will be 1) a rewritten or new ABM Treaty to ban laser and particle beam weapons, reversing the President's March 23, 1983 strategic doctrine; 2) a "build-down" of nuclear arsenals as advocated by Kissinger in an October 1983 *Time* magazine article, achieving a unilateral nuclear disarmament of the United States; and 3) abandonment of a U.S.-European common defense (i.e.,

decoupling) by withdrawing the American nuclear umbrella over Europe as Kissinger avowed in the March 5 issue of *Time* magazine.

According to sources inside the Senate Banking Committee, it became possible to cause the President to "change his mind" in the matter of defense spending because of the "new crew" which took over in the White House since the removal of William Clark as National Security Adviser. These Kissingerians, according to our sources, were finally able to persuade the President to "see the matter in a more reasonable light."

The pressure within the administration was coordinated with outside pressure orchestrated by the New York banks' anti-defense lobby, the Business Executives for National Security, and other newly created groups such as the Budget and Policy Priorities Committee and the Committee for National Security and Democrats for Defense. That pressure was conduited into the White House via Max Fisher's friends in the Republican National Committee, which has been supplying the White House and the Reagan re-election committee with polls claiming that the public's concern over the budget deficit is growing "at a rate faster than that of Gary Hart's popularity growth." The President's New York State campaign chairman, Sen. Alfonse D'Amato, threatened not to support Reagan's budget until cuts were made in procurement costs.

Ultimately, the source of this pressure was the policy-making families whose Federal Reserve and international banking institutions have been insisting that either Reagan cuts defense drastically or they will raise interest rates and force an economic collapse before the November election. The International Monetary Fund's managing director, Jacques de Larosière, claiming to speak on behalf of the "financial leaders of Europe, Canada, and Japan," stressed in a speech at the Cincinnati World Affairs Council that unless U.S. budget deficits are cut even further, there will be a domestic economic collapse and a blowout of the Third World debt.

The speech, made 24 hours after the President's capitulation, was widely read to mean that now that Reagan has given in by the proverbial inch, the opposition is now going to take a mile. Tip O'Neill, upon hearing of the President's capitulation, said that Congress will not approve the measure without "further cuts in military spending." "Today we saw the first crack in the wall. . . . [the President's] measure marks a small concession but a big confession."

Further cuts will surely hit the R&D funding needed for the anti-missile beam-weapon programs. Two days before the President's capitulation, Sen. Ted Stevens wrote to Dr. Richard DeLauer of the Pentagon's R&D program that "a major portion" of this year's "substantial reduction" in the defense budget "would be assigned to the R&D portion of the budget." Stevens is currently drafting bills to implement Kissinger's decoupling proposal.

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Advertisement

1974-style political chaos ahead after European summit fails

by Rainer Apel

The March 19-20 Brussels summit meeting of the European Community's 10 heads of state ended with a bang: Britain's Maggie Thatcher threatened to pull out all British payments to the common budget if her country's contribution was not cut by two-thirds. She thus torpedoed a carefully prepared austerity package which was to have solved the Community's budgetary problems with one blow: lowering the milk production quotas, lowering the agricultural prices, and increasing the value-added tax. Mrs. Thatcher said "no" because she thought the measures were "not going far enough," and this blew all the summit expectations to pieces.

Maggie Thatcher has so far had no scruples about implementing brutal austerity in her own country, but the other nine heads of state have. The Republic of Ireland, for example, cannot approve any cuts in milk production, because the country has already an unemployment rate of 17% and has 10% of its total active work force employed in the milk-farming sector. That is why the Irish premier, Gerry Fitzgerald, stormed out of the Brussels meeting first—he could not continue the discussion on the basis of such austerity conditions.

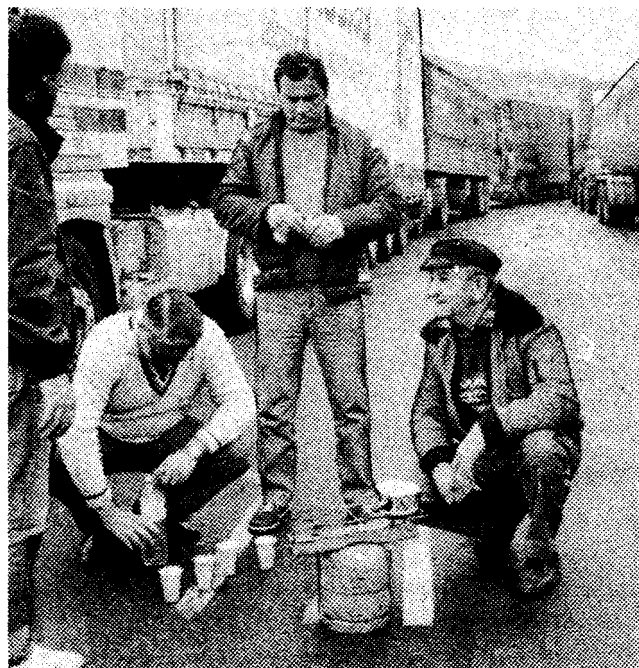
The British tactics at the European Community have, however, succeeded in blocking any viable solution to the economic depression for several years, using threats, blackmail, and raising of false expectations. The general commitment to austerity policies among the other European governments has always made them vulnerable to manipulation by the British. The Community's adherence to the Club of Rome's ideology of post-industrialism and zero-growth monetarism has created such social and economic instability that the failure of the latest Brussels summit is likely to help plunge Western Europe into chaos and virtual ungovernability now.

General European unrest

Western Europe is heading into a phase of instability comparable to the 1973-75 period, which saw mass strikes, a surge in separatism and terrorism, and the collapse of all European governments within a time span of several months. As in 1974, Great Britain is in the forefront: The British government's National Coal Board is committed to firing

80,000-100,000 mining workers, and has hired the man who ruined the country's steel sector, Ian McGregor. His unscrupulous austerity policy created a welcome pretext for the predominantly communist radical currents in the mining workers union to launch a gigantic strike, paralyzing the country's mining sector. Violent clashes with the police and "solidarity strikes" of longshoremen, who refuse to unload any imported coal, have helped to spread an atmosphere of despair and emergency. This atmosphere is now spreading throughout Europe.

In France, mass riots of farmers and steel workers, which overlapped with separatist currents in Brittany, Normandy, and the Alsace region, have turned parts of the country into emergency zones. In Le Mans, 15,000 farmers enraged over the Brussels decisions turned their rage against the "hated



French truckdrivers taking a coffee break at the blockade on the Spanish border.

institutions” in mid-March: After hijacking and burning a British truck transporting beef, they started street fights with the police and stormed the city’s police headquarters. In Lille, thousands of farmers threw tens of thousands of eggs at the mayor’s office, and in Alsace, key roads were blocked by tractors and barricades.

A sad resurgence of violent *jacqueries* among France’s peasantry is spreading among French labor as well. Mobs of steel workers protesting the government’s plans to drastically shrink the steel sector by massive layoffs started to block roads in Caen, Longwy, Nancy, Fos-sûr-Mer and other cities. At the same time, 1,000 French truckers blocked the borders to northern Spain.

Basque ‘truck wars’

The truckers, enraged at the time-consuming transit procedures at Europe’s southern borders and at the French government for various other reasons, had already besieged Paris three weeks earlier by blocking all roads leading to the country’s capital. They blocked the borders to Spain because their trucks have been torched and arsoned by Basque extremists when trying to pass through the Basque region.

Superficially, the cause of the Spanish unrest was the shelling of several Spanish fishing boats by the French coast guard in the Gulf of Biscay; in reality, the resurgence of Basque separatism against the central government in Madrid has been accompanied by a violent xenophobia which turned against predominantly French truckers.

Within one week, 30 trucks were set on fire by Basque extremists, and the Spanish government was forced to deploy the Guardia Civil (National Guard) to protect foreign trucks against attacks. In one case, the Guardia arrested about 50 of a gang of 200 waiting for a convoy of trucks in an ambush, and found a cache of Molotov cocktails and other weapons.

But these “truck wars” are only the most publicized aspect of Basque separatism and terrorism. The whole terrorist exile community of Basques living in southern France has been activated, and on the morning of March 23, the Spanish coast guard succeeded in shooting dead four such terrorists who tried to get into Spain from the sea by boat, equipped with heavy arms. The Spanish government is embarrassed at the permissiveness the French authorities have so far shown toward the activities of the Basque exiles on French territory, and the recent destabilization of the Basque region bears the potential of a major diplomatic clash between Spain and France.

German instability

In West Germany, where farmers are traditionally placid, heavy income losses of 20-22% in the past year and expected losses of an average 25% for this year have built up considerable rage against Brussels and against the Bonn government which is being accused of working against the nation’s farming sector. The first mass demonstrations by farmers

have started, and some farmer organization officials have warned: “We usually don’t take the actions of French farmers as an example, but we can block roads too!”

The deterioration in the German steel, ship-building, and capital-goods sectors, which has already contributed to considerable labor unrest, has been spreading into the labor movement as a whole around the issue of the 35-hour work week. The metalworkers have made this an issue for general strike, and their talk about a “political mass strike against the U.S. missiles” now poses a threat to the country’s domestic stability.

The massive impact on labor of Soviet propaganda against the stationing of the U.S. Euromissiles and the subversion communist agents have launched inside the unions is driving the country into potential ungovernability—and all of this is happening at a time when the government is shaken by scandals. The present situation in Germany recalls the spring of 1974, when mass labor strikes and the “Guillaume Affair” (a highly placed East German agent was discovered in the Chancellor’s own office) toppled the Brandt government.

The Italian government is under siege by the Communist Party and its own labor union, the CGIL, with a mass-strike campaign starting with the “march on Rome” on March 24. In Belgium, where the same issue—cutting the inflation compensator—has brought up all of the country’s labor unions against the government of Premier Martens, a strike wave might topple the government within days. Martens won a recent vote on his austerity package in the parliament by a margin of only one vote.

The government of the Netherlands, a country with an official unemployment rate of between 13% and 15%, is on its way out, too. Since major sections of the ruling Christian Democrats—with unofficial backing by the Royal House—have decided to join the campaign against the U.S. missiles, the Liberals have threatened to leave the coalition government. The rumor is that if the government were to resign and declare new elections, the anti-American Labor Party would win.

In Denmark, the main destabilizing threat is emerging from the fishermen, who have protested the European Community’s agricultural austerity formula which cuts their fishing quotas considerably. They have threatened to block the port of Copenhagen, the country’s capital, and if need be, the Sund as well, the strait between Denmark and Sweden which connects the Baltic Sea with the North Atlantic.

This situation, which could immediately be remedied by a crash program for economic recovery based on low-interest credit and industrial investment, is made worse by the anti-progress, anti-industrial outlook of most European governments. As one official in Bonn put it: “Well, we knew it would be getting tough. But I think we will have to live with these riots.”

This is the same austerity philosophy prevailing at the court of France before the “riots” vandalized it in 1789.

Harriman ran Nazi 'blocked accounts'

by Kathy Burdman and Anton Chaitkin

EIR founder Lyndon H. LaRouche Jr. charged on these pages March 6 that Federal Reserve Board Governor Henry Wallich's program of cutting off credit to underdeveloped nations is a Nazi program. Wallich is implementing "economic and monetary policies whose precalculable effect is genocide among populations of developing sector nations," LaRouche wrote. "Therefore . . . Henry Wallich is indictable for capital crimes against humanity."

In an exclusive interview provided to *EIR* the following week, Wallich stated that the Fed's plan to use Ibero-American currencies to repay dollar debt is modeled on the "blocked accounts" Reichsmark policy of Hitler's economics minister, Hjalmar Schacht. Wallich stated: "It bespeaks the German situation during the 1930s, when you had the *Konversionskasse* . . . for Reichsmarks."

More details have since come to light on how the Nazis under Schacht during the early 1930s used this "soft" currency, held in blocked accounts. At the time, Wallich's friend Averell Harriman, the investment banker known today for his close associations with the U.S.S.R., oversaw the syndicate promoting trade with Nazi Germany.

An item in the *New York Times* of May 20, 1933, months after Hitler was appointed Chancellor, began: "The formation of a company to provide means for the liquidation of German blocked mark balances through the financing of imports to the United States from Germany was announced yesterday. The new company is to be called the Syndicate of American Creditors Owning German Blocked Accounts. The Harriman International Company is to be syndicate manager.

"It is estimated that about \$800,000,000 of American short-term capital, outside the standstill credits, is locked up in Germany and cannot be withdrawn. The syndicate plans to use these 'blocked' marks, with the consent of the German Exchange Control, for partial payment by American importers for German goods."

During 1933, Americans seeking to halt Hitler's atrocities against Jews tried organize a boycott of trade with Germany. The Harriman syndicate succeeded in stopping the boycott. Germany during 1931-33 was the "Brazil" of its day, bankrupted by Versailles war reparations. Hitler was brought to power after Germany's British and Harriman-led

U.S. banking creditors, centered around the "Cliveden Set," imposed in 1931 a massive IMF-type austerity program.

Hitler's chief economist Reichsbank director Hjalmar Schacht in 1931 entered the "standstill agreement" referred to by the *Times*, an illegal variety of debt moratorium under which the Nazis agreed to repay their Swiss and Dutch creditors but not the Americans. As proposed for Brazil today, Schacht paid the rest of Germany's foreign debt in freshly printed German currency. He set up the *Konversionskasse*, a system of conversion or blocked accounts, and paid the American and British creditors in marks. The Harriman syndicate's \$800 million worth of such blocked marks came to over \$8 billion in 1984 dollars.

How the system operated

Averell Harriman and his syndicate were in charge of the creditor side, attempting to loot the German economy further and collect their debt. German exporters agreed to receive 25% of their payment from U.S. importers in the blocked marks. In effect, the German non-war economy was shipping a vast subsidy abroad to creditors.

The 1933 *Times* item explained: "The syndicate would operate, according to the announcement, for the benefit of a class of American creditors which has not benefited by the terms of the standstill agreements.

"About 150 firms and individuals holding from 25,000,000 to 30,000,000 of blocked marks are expected to become members of the syndicate. Under an agreement being worked out with German authorities, an American importer would pay for German goods to the extent of 75% in dollars and 25% in blocked marks. The 75% portion would be turned over to the Reichsbank, which would give the German exporters the equivalent in marks.

"Against the remaining 25% the importer would supply dollars to the syndicate, receiving in return blocked marks, which would be turned over to the German exporter. The dollars thus received by the syndicate would be turned over to its members on a *pro rata* basis...."

Such currency printing naturally caused hyperinflation, which Schacht used as a pretext for raising interest rates, cutting credit for all industry except the war drive, hiking food and consumer good prices, and slashing imports further.

This is precisely the effect the blocked accounts program will have today. In Brazil, the government may be forced to print almost 4 trillion cruzeiros this year to pay debt interest—which would expand the money supply by almost 50%. Inflation is close to 230% and bankers are now demanding a 30% devaluation of the cruzeiro.

After eight years of Schacht's program, the German economy would have shut down if Hitler had not annexed Eastern Europe. Unlike the Wallich plan today, which would simply cut off the debtors' imports, Harriman used blocked accounts to finance the Nazi war machine, which the American Jewish boycotters were trying to cut off.

Thurn und Taxis fears charges of Dope, Inc. link

by Umberto Pascali

Johannes Thurn und Taxis, Prince of the Holy Roman Empire, the man who says of himself: "I am the richest man in the world," and "We are the Inquisition," has decided to sue *Krieg dem Rauschgift (War on Drugs)*, the German-language magazine of the Anti-Drug Coalition founded by Lyndon LaRouche. The move by the Bavarian-based oligarch must be seen in the context of the offensive of the Soviet military junta and Henry Kissinger against LaRouche. Johannes von Thurn und Taxis claims that an article which appeared in the magazine one year ago ("Drugs, Weapons, Terrorism: the Bulgarian Connection") written by this author, has offended the honor of his family and thus, as the "family's head," he must intervene although he is not accused personally; it is the principle of the Roman *paterfamilias*.

The Bulgarian connection

The article in question was an analysis of the immense network of drugs and weapons traffic, interlinked with terrorism and directed by the Bulgarians in behalf of the Soviet KGB, which was discovered following the attempt against the Pope's life on May 13, 1981. Judge Ilario Martella, who oversaw the investigations, discovered that about 3 million deutschmarks that Bulgarian-controlled mafioso boss Bekir Celenk had prepared for attempted assassin Memmet Ali Agca as price of the "contract," had passed through the Munich bank Bayerische Vereinsbank. Thurn und Taxis sits on the advisory board of the bank and is also a major shareholder; indeed, he is the real controller of the bank, which is also the privileged partner of the Bulgarian Foreign Trade Bank. The terrorist boss Giangiacomo Feltrinelli, who, until his death in 1972, ran an international terrorist network interfaced with Soviet intelligence, had an account in that bank, as a part of a financial network involving a Zürich-based bank that provided the infrastructure for the international terrorist network.

But when Judge Martella arrived at the Munich bank and its London subsidiary, the United Bank of Bavaria, he found great obstacles to his investigation.

Another track led to the same circles, and not based simply on the fact that the prince used to say that he hates the

Church because the Church has crushed his family. The killer who tried to assassinate the Pope one year after Agca, in Portugal, Juan Fernández Krohn, was trained by the famous ultra-traditionalist archbishop Marcel Lefebvre. Without considering the rumors that Krohn passed through the castle of Thurn und Taxis in Regensburg, it is a fact that Bishop Rudolf Graber of Regensburg, the seat of the Thurn und Taxis clan, was a friend of Lefebvre.

In Zaitzkoven, near Regensburg, Lefebvre created one of his most important seminaries. Graber is also the closest associate of the international secretary of the "Blue Army of Fatima," an organization linked to Lefebvre and to Tradition, Family, and Property which has held target practice using a portrait of John Paul II. The Blue Army of Fatima was created by the royal family of Portugal, the Braganza. The wife of Thurn und Taxis is the Princesse Braganza, and the two families are closely linked.

The Thurn und Taxis are probably one of the last aristocratic families that still appoints the priests in their area, just as was done under feudalism. In an interview published in the book *The Power on the Rhine* by B. Engleman, Johannes Thurn und Taxis explains: "See, this is the way in which I see obligations: Recently a bishop wrote to my uncle [at that time the *paterfamilias*] a not so friendly letter. He began with Honorable Herr Count and concluded with the communication that in the future, the diocese would fill priestly positions without consulting my uncle. . . . We have still many benefices, and we decide who should become priests there. For some time, however, no proposals had been sent to us any longer. In response to the letter, we responded that we gladly accepted, but that, since all rights had been eliminated, all obligations should be viewed as removed. . . . I can assure you that since then we again received the lists with the proposals for the new priests. . . ."

The Torre e Tasso

Another uncle of the prince is a Benedictine monk, Father Emmeram, who shares Bishop Graber's ideological, religious, and political standpoints. The monk is trying in his convent at Pruefening (near Regensburg) to create a world elite, as another branch of the family, the Italian-based Torre e Tasso, is doing. Prince Raimondo Torre e Tasso created together with the late Lord Mountbatten and Prince Charles the United World College at his Duino Castle, Trieste; he is the protector of cultist "scientist" Abdul Salam, who just received a golden medal from the Soviet Academy of Science. He is also among the inspirators of several Soviet-controlled or -influenced supranational organizations such as International Federation of Institutes for Advanced Studies and Unesco.

The Thurn und Taxis represent at this point the alliance between part of the *Mitteleuropean* oligarchy and the Soviets. Both hate the sovereign republican state; both esteem Kissinger.

The temporary dollar consolidation

The dollar has firmed for reasons which promise a worse dollar decline in the future.

Between Wednesday, March 7, and Friday, March 22, the dollar regained marginal lost ground against major currencies. Although the dollar will fall considerably during the next year, it is difficult to know what will happen during the next three weeks.

Apart from the Persian Gulf threat to European and Japanese oil supplies (less of a brake on the dollar's fall than we expected during February and early March), a short-term factor in the dollar's favor is the pressure on American banks due to the March 31 payments deadline. Pressure on U.S. banks, predicted by this service in January and reflected in last week's trading and comments by bank analysts, translates into pressure on the interbank Eurodollar market, and therefore into pressure on the major European currencies.

Our mid-October prediction of a "vicious dollar snapback" last year was based on Europe's \$400 billion in short-term Eurodollar market liabilities. Tightening of interbank market conditions forces European debtors to liquidate local currencies to pay dollar-denominated debt service. This factor is still present, as noted by British investment banker Geoffrey Bell in the *New York Times* March 12.

Since, as presidential economic adviser Martin Feldstein has been telling Congress, the United States will become a net debtor nation in the

course of 1984, the ground rules have changed in the determination of dollar interest rates. This is especially true since the American banking system became a major net borrower from the Eurodollar market (at a \$54 billion annual rate) as of the third quarter of 1984, the last quarter for which Bank for International Settlements data are available.

A regime of dual governance over the dollar credit system has existed since the Federal Reserve permitted the Eurodollar market to grow out of control during the late 1970s. Increasingly, the reserve-free Eurodollar market has been able to generate credit independent of the short-run decisions of the Fed. Conversely, any tightening of conditions on the Eurodollar market cause a contraction of available dollar credit. Such a tightening is now in the works, for the simple reason that Manufacturers Hanover and other big U.S. banks are hesitant to issue paper lest it trade at a discount.

In the short run, this is equivalent to a contraction of available dollar supply. It feeds into the profit-taking attitude among large currency speculators and hedgers, and has produced a slight recovery of the dollar during March.

The banks' problems, however, are a fundamental negative for the dollar: They will force the Fed to create liquidity in defense of the big Ameri-

can banks, with a devastating effect on the dollar. This is a much more important constraint on Paul Volcker than widely discussed "election-year pressures" to loosen money growth.

Read in this context the formulation March 7 in the Swiss daily the *Neue Zürcher Zeitung*, which is shared by most European portfolio managers:

"In earlier discussions about the prospects for the dollar in official circles, there was always a certain worry that a trend turn of the dollar could lead to a chain reaction and a rapid collapse. This sort of concern at least appears to remain in the background for the moment. The possibility that a fall of the dollar exchange rate would produce a rise in American interest rates has a certain braking effect on these fears.

"Above all it is not excluded that the dollar could continue to fall despite the rising interest rates during which the downward tendency would be interrupted by certain consolidation phases.

"Finally, the further development of the dollar brings the American monetary and economic policy questions one step further. A notable loss in the dollar exchange rate in the context of an outflow of foreign capital urgently needed for the financing of the current-account deficit could exercise pressure on American interest rates. How the American monetary authorities would react to such a development remains open. Martin Feldstein, President Reagan's chief economist and a voice crying alone in Washington's budgetary desert, has recently signaled that a tightening of the monetary reins as a defense against an otherwise unavoidable dollar correction is unwanted. The pressure on the Federal Reserve to counter a rise in interest rates with a loosening of monetary policy should be considerable in an election year."

Business Briefs

Ibero-America

Wells Fargo banker quits under fire

Rodríguez Pastor, the Wells Fargo banker filling in as Peru's economic minister for the past year, resigned March 19 under attack from nationalist labor and business leaders. Prime Minister Fernando Schwalb, Rodríguez Pastor's protector in the Peruvian government, is now rumored to be considering resigning in solidarity with the banker.

Peru's labor unions mobilized a general strike March 22 to protest the austerity agreements which Rodríguez Pastor had signed with the International Monetary Fund. One of the unions' demands had been the resignation of Rodríguez.

Violent clashes broke out between the police and the communist trade unions during the strike. A union chief was injured by a tear-gas canister which he claims was hurled at him at close range, and the leftists are demanding the resignation of the interior minister. The interior minister in turn charges that the communist leader injured himself purposely in order to be able to wave a "bloody shirt."

Debt Bomb

'Would Roosevelt have turned to the IMF?'

Brazilian Vice-President Aureliano Chaves, who is also a candidate for the presidency, recently invoked the name of Franklin Delano Roosevelt in commenting on the policies of the International Monetary Fund toward Ibero-American debtors.

"In order to confront an atypical crisis, Roosevelt innovated," Chaves told reporters. "Imagine if he had had to turn to the IMF. Do you think he would have resolved the problems of the United States? I have great respect for the IMF. But it has to understand that well-tailored clothes on the wrong body can look terrible."

Chaves has often attacked the IMF's austerity policies. In regard to the current debt crisis, he remarked: "Our creditors knew

our reality at the time they were lending to us, and they must remain conscious of our reality at the time of being repaid. . . . Conditions must be created so that a debtor who wants to pay his debts can do so."

In a press conference in New York March 22, Chaves emphasized that Brazil "must resume development in order to meet its commitments," and again cited the U.S. experience of the 1930s: "The American nation at that time had a population of about 120 million with about 17 million unemployed. Industry was in trouble from the sharp and continuous drop in production. American agriculture, which had always been strong, was in an immense depression, foreign trade at perilous levels. The picture of social unrest and national demoralization was disquieting. . . ."

"The American depression coexisted with an important fact: economic liberalism was carried to an extreme. All of Roosevelt's messages to Congress were filled with 'free enterprise,' and 'market economy,' but he found himself required to make incursions"—such as the Tennessee Valley Authority.

Chaves welcomed the upcoming visit of Mexican President Miguel de la Madrid to Brazil. The two countries should "trade information" on their debt renegotiations, he said.

Mining

Eximbank loan to Morocco attacked

An American association, The Fertilizer Industry (TFI), is urging the U.S. Export-Import Bank not to fund further phosphate mining activity in Morocco on the grounds that it will undermine U.S. phosphate production and sales.

"The world phosphate industry is already over-built," said Gary D. Myers, president of TFI, in a recent press release, "and further funding of the Moroccan mining activity, currently under Exim Bank consideration, would only contribute to further imbalance." Myers claimed that such funding also would serve to increase Morocco's share of the existing world phosphate

fertilizer market at the expense of the U.S. industry.

In 1983 U.S. mines were operating at 70% capacity, while those of Morocco were at 81%.

Middle East

Soviets to build nuclear reactor in Iraq

The Soviet Union will build Iraq's first nuclear power plant, according to an agreement signed in Baghdad in March. A contract has been concluded for the Soviet Atom Energy Export company to construct the first stage of the nuclear power project.

This is seen as a Soviet bid to regain influence with Baghdad after a period of coolness owing to Soviet support for Iran's Khomeini government.

The reactor will be Iraq's first for electric power production. A French-built nuclear research facility was destroyed by an Israeli air attack in 1981.

Food Crisis

Zimbabwe, South Africa must import corn

Hot, dry weather in South Africa and Zimbabwe has undercut the production outlook for the main crop—corn—to be harvested in May-June of this year, according to the Foreign Agricultural Service of the U.S. Department of Agriculture.

The U.S. agricultural counselor in Pretoria estimates 1984 corn production in South Africa at 5.0 million tons, up 28% from the drought-reduced 1983 crop, but 66% below the record crop of 14.6 million tons harvested in 1981.

The 1984 corn crop in Zimbabwe is estimated at 1.0 million tons, about the same as last year's drought-affected crop, but 67% below the record crop harvested in 1981. Little opportunity exists for any improvement in the yield outlook for corn in both countries, as most of the crop is past the

moisture-sensitive grain-filling period.

South Africa and Zimbabwe have traditionally exported corn. These drought-devastated crops, however, combined with depleted stocks, are expected to result in record corn import needs by both countries.

South Africa had imported about 2 million tons of corn to supplement last season's drought-reduced output, despite large stocks and virtually no exports. Zimbabwe, on the other hand, was forced by the International Monetary Fund to cut exports last season, and drew upon stock rather than import.

This year, South Africa may require as much as 4 million tons of corn imports and Zimbabwe may need about 600,000 tons.

Grain Markets

Cartel cons farmers with 'grain bloc' hoax

Leading farm organizations in the United States are organizing a "grain bloc" in an attempt to obtain increased prices for their crops, *EIR* has learned. But investigations suggest that it is only the large grain companies that will benefit, obtaining grain from farmers at the cheapest possible price.

Under this scheme, farmers' grain is shipped to the Gulf to be sold to an elevator for export. In the past the National Farm Organization (NFO) has been successful in increasing the price of beans by such methods.

But according to a veteran NFO member, this type of "bloc" is only successful if there is a known destination, a prior contract, and an immediate second shipment. None of these conditions holds in the present case.

Since grain elevators throughout the country are nearly empty, and the grain giants Cargill and Continental have had to buy directly from the farmer to obtain grain, the "bloc" could be a grain company move to buy grain sitting in farm storage at low prices. The farmers are paying for the shipment of the grain, and since there is no contract, the grain companies will be able to dictate purchasing prices at the Gulf. If the farmers object, they can always pay for the return shipment.

Petroleum

Japan becomes largest crude importer

Japan replaced the United States as the world's largest importer of crude oil in 1983, according to new data released by the Japan Petroleum Association. Unlike the United States where imports fell a hefty 9% last year, Japan relies on imports for virtually all crude needs. Of Japan's import total, OPEC supplies 80%, with two-thirds of that coming from the vulnerable Middle East nations bordering the Persian Gulf. Imports from Iran to Japan were up 72% in 1983 over the previous year.

Japan's suppliers provided the following in the last quarter of 1983: Saudi Arabia led with 3.015 million barrels/day; UAE, .573 mbpd; Iran, .489 mbpd. From the Far East, Indonesia led as supply source with .551 mbpd while Mexico increased its exports to Japan by 41% to .148 mbpd.

Corporate Takeovers

Tax incentives favor U.S. oil merger fever

A former head of the Bureau of Competition of the Federal Trade Commission (FTC) reveals that a major incentive favoring oil company takeovers in the currently glutted market is not the presumed relative cheapness of acquiring reserves from existing companies compared to undertaking new exploration, but tax incentives.

Thomas J. Campbell of the Stanford University Law School said in a recent interview that "crude is always worth more to an acquirer than it is to a company which has produced it. This is because the acquired company has in most instances fully depreciated its costs, and taken full advantage of the oil depletion allowance. A newly acquiring company can commence depreciation anew."

Campbell points out that the present tax structure for the oil industry provides a substantial disincentive against a company undertaking a long-term strategy for development of new oil reserves.

Briefly

● **W. R. GRACE & CO.** has concluded a major agricultural deal with the Soviet Union. The company will provide scientific cattle-breeding equipment and technologies, including technical seminars and exchanges. "In addition to the monetary reward such an agreement brings," a spokesman said, "there is great satisfaction in knowing that our two-way consultations will also help lower some of the barriers to a better understanding between the people of our two nations." Chairman J. Peter Grace is advocating a \$150 billion U.S. defense budget cut over three years.

● **HUMBERTO LUGO GIL**, the head of the Mexican House of Representatives, rejected the imposition of foreign "conditionalities," in a speech March 22. "Mexico does not accept conditionalities that could offend the dignity of the Nation or that compromise its independence," he said.

● **JAPAN** will unveil the world's first public magnetically levitated train at the Science and Technology Exposition in Tsukuba in 1985, according to the *Jiji Press*. The United States abandoned its R&D effort in maglev trains more than five years ago. The small pilot train will hold 48 passengers and will "float"; it is levitated by the interaction of magnetic fields inside the train and in the track. The maximum speed of the first demonstration in July will be 30 kilometers per hour; maglev systems could potentially go hundreds of miles per hour. The limit of wheel-on-rail trains is about 200 miles per hour.

● **BUSINESS WEEK** prescribes a \$2-\$3 billion dollar cut in "the President's Star Wars satellite defense program" and a slashing of tens of billions in defense by "halting work on the big-ticket items designed to replace equipment that is already adequate." "The key items: the B-1B bomber, the MX intercontinental missile, the Maverick air-to-surface missile, the Navy's two new carrier groups, the 29 DDG-51 destroyers, the armored Bradley Fighting Vehicle and the DIVAD air defense system."

The Philippines: Henry Kissinger's next Iran

by Fernando Quijano

The assassination of opposition leader Benigno Aquino in August 1983 gave the signal for the "Iranization" of the Philippines. As the Shah of Iran was toppled by a coalition of international operatives sharing the goal of ousting the United States from the Middle East, so the government of President Ferdinand Marcos is being destabilized by the very same forces, and the stage is set for the destruction of the Philippines, Khomeini-style. The outcome, if this process is allowed to continue, will be the demise of U.S. influence in Asia.

Some might find it incredible that this could be happening. How could the United States abandon a country that it has been intimately tied to since the beginning of the 20th century? A country that many Americans have given their lives for. A country whose people deeply admire the United States and who have also given their lives to help the war efforts of the United States. A country that has binding military commitments with the United States, including Subic Bay Naval Base and Clark Air Force Base, which are kingpins of the U.S. strategic posture in the Pacific.

Yet *EIR* presents to you in the following pages some of the incontrovertible proof we have in our possession that Henry Kissinger and company are intent on "Iranizing" the Philippines. They intend for the Marcos government to be brought down, for violence and chaos to ensue, for the U.S. military bases to be removed, for separatist movements to break out, and in general for the United States to withdraw from the whole Pacific region. We are not predicting that this will ineluctably occur; rather we are warning that this process is rapidly developing and will continue to unfold until Kissinger and his cronies are ousted from all possible influence on U.S. foreign policy, and until a completely new economic policy perspective is implemented by the United States, in cooperation with Japan. Such a perspective must be based on the repudiation of the austerity policies of the International Monetary Fund (IMF), and their replacement with great projects for the development of the region—ranging from the building of the Kra and second Panama canals to the creation of huge waterworks on the Indian subcontinent throughout Indochina and China.



The people who put Khomeini in power are now "Iranizing" the Philippines. Former U.S. Attorney General Ramsey Clark, who helped engineer the fall of the Shah of Iran, is now leading demonstrations against President Ferdinand Marcos.

Our warnings should not be taken lightly. *EIR* was the only journal that identified the culprits who were responsible for putting butcher Khomeini in power in Iran, and accurately predicted the outcome of the Carter administration's promotion of "Islamic fundamentalism." Tragically, responsible Americans did not act to stop the destruction of Iran; today we still have time to stop the Iranization of the Philippines by the very same cast of criminals who brought you Ruhollah Khomeini.

Kissinger's game plan

Kissinger, Zbigniew Brzezinski, Ramsey Clark, Richard Falk, et al. have made clear their *intent* to destroy the Marcos regime and have revolution sweep the country. Here we will quote Kissinger and Brzezinski. The remaining articles in this Special Report will cover the others.

In a speech in Hong Kong Oct. 28, 1983, Kissinger stated in reference to the Philippines: "Political transformations are going to be a likely feature of the next decade. Not in the sense of changes of the system, but in the sense that the leaders who have achieved the extraordinary progress that we all see, are reaching an age where it is logical to think that within this decade, adjustments *will be forced* by nature, if not by deliberate decision [emphasis added]." Then Brzezinski, during a stopover in Manila on Feb. 27 of this year, announced: "One agrees that long-range prospects for the Philippines remain good." Brzezinski's clear implication was that the short-term prospects are anything but good!

Many fail to recognize these pronouncements as statements of *intent*, because they fail to grasp the motives under-

lying them. *EIR* has amply documented Kissinger's role as a Soviet agent of influence in the past, so we concentrate here on his "Pacific Region" geopolitical viewpoint.

Kissinger maintains that the United States can no longer hope to be a dominant world power as it was in the aftermath of World War II. Instead the United States must now adopt British 19th century-style balance-of-power politics, which recognizes no friends or allies, only "interests." The goal is to maintain a semi-feudal neocolonialist world ruled by different empires which compete but also share in the looting of the colonies. Kissinger developed in 1978 the following "cover story" to justify colonial backwardness in the developing world: "Many false notions are maintained in the United States. . . . One of them, the pet of the social scientists, is that the more rapidly a society industrializes, the more rapidly it achieves political stability. What happened recently in Iran demonstrates the falsity of this concept." This from the man who overthrew the Shah of Iran in order to stop the rapid modernization of Iran and the whole Gulf area!

Kissinger's "China Card" was aimed at imposing precisely this de-industrialization policy on Asia. While much has been made of Kissinger's and Brzezinski's claim that their policy was intended to box in the Soviet Union, the fact remains that the single most important aspect of the China Card was that it was targeted at Japan, the ASEAN countries, and India.

Japan was targeted because Kissinger and his oligarchic masters are vehemently opposed to the "mercantilist" policies of the Japanese, their drive for economic growth and technological progress. As for ASEAN, the nations of Thai-

land, Malaysia, Indonesia, and the Philippines in particular represent great potential markets for Japanese and U.S. exports of capital goods and technology. ASEAN also represents one of the greatest resources for the rapid development of Asia, because of its potentially highly skilled labor force. India is already one of the scientific and industrial superpowers and could become the most rapidly growing power in the world if the neocolonial pressures of the IMF were removed.

In short, the China Card of Kissinger and Brzezinski was designed to make China a regional imperial power that, along with and in competition with the Soviet Union and its proxies in the area (Vietnam), would militarily keep a check on any attempt by others to break out of the neocolonial fold. It goes without saying that this policy was also designed to keep China itself in backwardness and military dependence on outside technology. The Vietnam War debacle and Pol Pot's genocide in Kampuchea were to be merely the beginning of maintaining the region in war and backwardness. The only ones who have gained from this are the Soviets.

When the Reagan administration came to power in Washington, the Kissinger version of the China Card was dropped, for President Reagan wants a strong Japan and South Korea plus a strong U.S. military presence in the area. Yet Kissinger and company are still carrying out the geopolitical design underlying the China Card by other means: the Iranization of the Philippines, to be followed by the same process in Indonesia and the dismemberment of India and the subcontinent by Nazi-communist networks.

Reagan's policy: benign neglect

The Iranization of the Philippines started when the IMF and World Bank shut down all of Marcos's economic development projects by the end of 1982. Marcos had attempted to overcome the colonial profile of the Philippines as an exporter of raw materials and agricultural goods, with a series of projects that would have gone a long way toward industrializing the country.

Then came the assassination of Aquino, and the destabilization of Marcos went into full gear. Contrary to those liberal critics of Marcos who charge him with the murder of the opposition leader, Aquino himself had stated before he was gunned down that Marcos could not possibly benefit from his death, and that if he were killed it would be the terrorists who would do it (see below). But an internationally orchestrated press campaign went into gear against Marcos, along with a cut-off of credit by the New York, London, and Swiss banks, and finally a slap in the face when President Reagan refused to visit Manila. If it had been merely a matter of presidential security, as claimed, surely another message of support for the Philippines could have been sent. Instead, the President took the advice of Kissinger-linked White House staffers James Baker III and Michael Deaver, and snubbed the rest of ASEAN too by declining to visit Jakarta and Bangkok.

Since then the administration has done nothing to counter the efforts of either Congress, Kissinger, or the other groups involved in the destabilization of the Philippines. The policy has been what Sen. John Melcher (D-Mont.) aptly called "benign neglect." It is a policy of letting Henry Kissinger run amok in the Pacific.

Aquino: 'Marcos would not kill me'

Shortly before Philippine opposition leader Benigno Aquino was assassinated in August 1983, he was interviewed by Mother Jones correspondent Spencer A. Sherman in San Francisco. We publish excerpts from that interview in the January 1984 issue of Mother Jones.

Q: What do you think Marcos will do? . . .

Aquino: . . . He will keep me alive because he knows the moment I die, I am the martyr like Martin Luther King. And he wouldn't want that. . . . Another possibility: he lets me out, and the communists knock me off. They blame Marcos. They have a martyr and they have eliminated a stumbling block. That is why Washington tells me, "You can't go home, You will give the communists what they wanted all along." You see, the Commies hate me more than they do Marcos. . . .

Q: . . . Let me play devil's advocate for a moment. Maybe a communist regime is right for the Philippines. . . .

Aquino: . . . I've been to Russia. I've been to the communist countries. I've seen them. And empirically, the West is still ahead. In other words, in spite of the faults of Marcos, he's still an angel compared to the communists. . . . You see, my biggest danger is not Marcos, it's the communists, because *they* know I'm going to set them back 40 years. . . .

Q: Is it too late to allow the delegitimization of Marcos and get Aquino? . . .

Aquino: . . . If you made me president of the Philippines today, my friend, in six months I would be smelling like horseshit. Because there's nothing I can do. I cannot provide employment. I cannot bring prices down. I cannot stop the criminality spawned by economic difficulties. . . .

Q: What would you do about the [U.S.] bases if you were president?

Aquino: "Out with the bases," say the radicals. I agree. But we cannot remove the bases tomorrow and destabilize that region, particularly while the Russians are building in Cam Ranh Bay. Otherwise we will surely be changing masters. But I'm going to tell America I don't want these bases permanently. The sooner you remove them, the better.

Khomeini's U.S. backers lead assault in Congress on the Philippines

by Gail G. Kay

The Philippines has started the countdown to the May 14 legislative elections which may put the government of President Ferdinand Marcos to its most severe test since the Aug. 21 assassination of opposition leader Benigno Aquino. The results of those elections will be fixed long before May 14 rolls around, however, and the verdict will be decided not in Manila, but in Washington, D.C.

Henry Kissinger and liberal Democrats in Congress, such as Stephen Solarz (N.Y.) and Edward Kennedy (Mass.), are out to break the ties that have made the 7,000-island Philippine archipelago the linchpin of U.S. strategic military defense in the Pacific. They are feeding a process of economic and political destabilization that will make it impossible for the United States to maintain its military installations at Clark Field and Subic Bay, and will turn an ally of 80 years into an enemy, a process identical to recent U.S. experience in Lebanon and Central America.

The State Department and the liberal Democratic caucus in Congress, using the investigation into the Aquino assassination as the pretext for a phony uproar about "lack of democracy" in the Philippines, are openly courting alternatives to the Marcos government. In the past month, two top Filipino opposition leaders, Salvador Laurel and Agapito Aquino, the brother of the murdered Benigno, have launched their electoral campaigns with tours of the United States and top-level meetings in Washington. The goal is to create a caretaker government that would impose the austerity conditionalities of the International Monetary Fund (IMF), a government combining elements of the liberal opposition, such as Laurel, a faction of the military, and the technocrats now negotiating a debt rescheduling package with the IMF and the Philippines' 350 creditor banks.

But the "liberal" opposition is intended for only a transitional role, paving the way for chaos under the aegis of the National Democratic Front (NDF), the political front of the illegal Communist Party, and its guerrilla arm, the New People's Army (NPA). This is the "Iranian model" for the Philippines.

The Americans running the destabilization of Marcos are the same who toppled the Shah of Iran, and who celebrated

the collapse of the transitional government of Shahpour Bakhtiar at the hands of Ayatollah Khomeini's fanatics: terrorist controller and former Attorney General Ramsey Clark, Princeton professor Richard Falk, and former U.S. Ambassador to Iran (1977-79) William Sullivan. Henry Kissinger, the "friend" who "persuaded" the Shah to retire, is working a parallel, but separate, track into the Marcos government.

What is Reagan administration policy? In testimony before Congress March 6, Montana Democrat John Melcher generously described administration policy in the aftermath of the assassination of Aquino as a "policy of benign neglect." Vice President Bush's February private interview with visiting opposition leader Laurel suggests an attitude that is less than "benign"; the State Department publicly fêted the visiting senator. Undersecretary of State Lawrence Eagleburger, a Kissinger protégé, even begged Laurel to stay a few extra days in order to meet Secretary of State Shultz.

Congress pulls the plug on Marcos

Representative Solarz, a backer of Walter Mondale who endorsed the Carter administration's *Global 2000* plan to reduce the world's population by billions, has turned the U.S. Congress into a forum for those plotting the overthrow of the Marcos government. As chairman of the House Subcommittee on Asian and Pacific Affairs, he engineered the passage of a resolution in the House of Representatives in October, saying that the conduct of U.S. policy toward the Philippines should "take into account . . . the conduct of the Philippines' investigation into the Aquino assassination and the fairness of the 1984 National Assembly elections."

Solarz and his fellow liberal Democrats are lying when they say the intent of their hearings on the Philippines has anything to do with seeing President Marcos return the Philippines to "democracy" by meeting opposition demands for holding "free and fair elections" in May and conducting a satisfactory investigation of the Aquino assassination. The only major opposition movement that will even participate in the May elections is Laurel's UNIDO coalition. The movements headed by Agapito Aquino and the more radically anti-American grouping around Jose Diokno and Lorenzo Tanada

of the Anti-Bases Coalition will boycott the elections. Diokno is even planning to lead sit-in demonstrations against the elections outside the Election Commission headquarters, the Supreme Court, and—the U.S. embassy. Remember Teheran?

On Rep. Solarz's initiative, the House Foreign Affairs Committee approved a FY85 Foreign Aid bill March 15 which calls for reducing the military component of the payment for U.S. bases in the Philippines from \$85-90 million to \$25-30 million (the bill has yet to come before the full House). There are rumors in Washington that the Congress will soon cut the military allocation entirely.

Manila has responded with rage and indignation to the congressional aid cut-off. Arturo Tolentino, a critic of Marcos within the ruling KBL party and rumored to be a candidate for the foreign minister's job, told Solarz aide Stanley Roth that the aid reduction was "insulting." On Feb. 24 Defense Minister Juan Ponce Enrile said the shift "would necessitate a renegotiation of the whole defense agreement between the Philippines and the United States . . . the move will affect Philippine defense efforts as well as the security situation in Asia." Three days later, President Marcos told Admiral Robert Long, retired U.S. commander in chief of the U.S. Forces in the Pacific, that he talks to the President or the Executive, not the U.S. Congress.

Deputy minister of Foreign Affairs Pacifico A. Castro protested March 2 in an article in *Bulletin Today*, entitled "Solarz vs. International Law": "If Congressman Stephen Solarz succeeds in his proposal . . . it will not only constitute a unilateral revision of a treaty but will subvert the fundamental basis for the peaceful conduct of international relations. . . . [The base agreement] cannot be unilaterally altered without seriously placing in jeopardy the defense capabilities of the Philippines in the Pacific region."

Castro hit the nail on the head. Only two months ago, on Jan. 9, Defense Minister Enrile had reported that the Philippines were able to turn down requests for Soviet warships to enter Manila Bay because of the strong U.S. military presence. Without the U.S. bases, he cautioned, there would have been no way to prevent the Soviets from intruding into Philippine waters.

IMF pressure tactics

Forcing a U.S. strategic pullout from the Philippines goes hand in hand with the policy of forced deindustrialization imposed by the International Monetary Fund. This is the key to the "political" crisis brought on by the Aquino assassination, a murder which provided a convenient pretext for the IMF and the banks to pull the plug on the Philippine economy through the fall of 1983. Meeting the political conditions demanded by the State Department is the price demanded for a rescheduling of payments on the Philippines' \$26 billion debts, payments that will likely enter a third 90-day moratorium on April 16. Rep. Solarz in November joined 33 other liberal Democrats, including Parren Mitchell, Barbara Mik-

ulski, Ron Dellums, and Charles Schumer, in writing a letter to Treasury Secretary Donald Regan calling on the U.S. administration to oppose the IMF loan to the Philippines to break Marcos's resistance.

The Marcos government has told the IMF it wants to postpone initialing the letter of intent on the IMF's \$630 million standby credit until after the May elections—because the conditions attached would "require very stiff austerity measures which are politically unpalatable particularly during an election period," says one foreign banker. For the moment the IMF agrees, and securing the IMF credit is necessary to strike a deal with the 350 private and commercial banks holding a piece of the Philippine debt.

Rumors are circulating in the State Department that a Kissinger man, Policy Planning Council head Stephen W. Bosworth, will take over as ambassador to Manila in May or June, to oversee the implementation of the IMF package. Bosworth's credentials include a stint as Deputy Assistant Secretary for Latin American Affairs in the State Department under Thomas O. Enders, where he sought to break Latin American joint efforts to resist the debt collectors. When Bosworth took the Policy Planning job in February 1983, he identified the debt crisis as one of his top priorities because it "involves economic issues with political implications."

Enter the Iran crew

Although the crimes of the Khomeini regime in Iran are now beginning to be exposed in their full grisly horror, the very people who toppled the Shah and engineered the "Islamic Revolution" from abroad are repeating the Iran "experiment" in the Philippines. They are using the same bogus propaganda about "human rights violations," "despotism," and "subjugation to U.S. imperialism," hiding their true intentions behind a veneer of liberalism.

A prime example is William Sullivan, former U.S. ambassador to the Philippines (1973-77) and the U.S. ambassador who oversaw the overthrow of the Shah. In testimony before the Solarz subcommittee Feb. 22, he called for suspending payments for the U.S. bases altogether until Marcos offers some guarantee of "an honest return to democracy," which Sullivan said "could even possibly mean his own resignation, after a transition period."

Sullivan demanded that President Reagan back this move: ". . . the President of the United States has given no clear signal of his own personal commitment to a return to democracy in the Philippines. . . . The purpose of this subcommittee and of this Congress should be to make clear the commitment of the United States to democracy in the Philippines. Its first task should be to get the attention of the President of the United States and obtain his public commitment to that cause. . . ."

The key congressional interface to Filipino opposition support networks in the United States is Walden Bello, head of the "Congressional Liaison Committee" of the Philippine Support Committee that is out to block economic and military

Melcher hits interference by Congress, IMF

Sen. John Melcher (D-Mont.) testified before the Senate Foreign Relations Subcommittee on East Asian and Pacific Affairs March 22 against the FY85 foreign aid bill which would cut allocations for the use of U.S. military bases in the Philippines by \$60 million. Melcher is a harsh critic of those U.S. politicians who have sought to destabilize the Philippine government, and had accused the Reagan administration of a policy of "benign neglect," in a March 6 report on his December 1983 trip to Manila.

In his testimony March 22 Melcher rejected the use of U.S. military and economic aid as a lever to shape the domestic policy of the Philippines. "I find that frankly, however well intentioned, to be antagonistic and insulting not just to the Philippine government under President Marcos. It would be insulting to the entire Filipino peoples."

EIR interviewed Senator Melcher after the hearing.

EIR: Senator Melcher, you have been an outspoken opponent of the International Monetary Fund. Could you comment on the role that the IMF is playing with regard to the Philippines?

Melcher: Unfortunately, I think that the IMF wants to make it miserable. . . . Even the banks that would like to

turn over their debt cannot do so because of the IMF restrictions. I think it is unfair.

The IMF is being pretty restrictive and I think that is disadvantageous for everybody concerned. . . . I think that the IMF has a bias toward [against] the Pacific in general. The Philippines do not have a tremendous debt—only \$20 or \$30 billion—yet they are being hamstrung by the IMF. I think the IMF policies are not being uniformly applied and you see this most in the Pacific.

EIR: In your testimony this morning you referred to the economic viability of the Philippines. Could you expand on that?

Melcher: I am quite confident of that myself. There is some political unrest, although it is exaggerated, and that also hampers the economic activity in the country. But I think much of that would dissipate if the IMF weren't putting the Philippines through hurdles on this six month moratorium. If that were not the case the political unrest would still hamper economic activity, but I think that that would be cleared up if the elections on May 16 go off.

You know that the Speaker of the Philippines parliament has extended an invitation to the U.S. Congress to observe the elections on May 16. And I have seen no response to that invitation at all, it's as if people are saying "So what?" I think the U.S. ought to accept. There is an attitude prevailing among some that the election will be rigged in favor of the Marcos party. Well, we should accept the invitation and go observe.

aid to the Philippines. Bello heads the Committee Against Military Intervention in the Philippines (CAMIP), a subcommittee of the World Council of Churches' Clergy and Laity Concerned, which one informed source says links the top 50 U.S. Filipino support groups to groups in the Philippines and Southeast Asia. Bello trained at the Philippine Institute of Culture and works with Princeton Professor Richard Falk. He is an adviser to the Southeast Asia Resource Center, a West Coast-based clearinghouse for antinuclear and peace groups, and is an editorial advisory board member of the Institute for Policy Studies journal, *CounterSpy*.

Bello claims expertise in two areas: U.S. military installations in the Pacific and IMF/World Bank economic imperialism in the Philippines. Bello is the contact man linking the U.S. support networks to the explicitly anti-American, anti-nuclear opposition in the Philippines, headed by former Senator José Diokno and Lorenzo Tanada of the Anti-Bases Coalition. Bello's key U.S. contacts are Richard Falk and former Attorney General Ramsey Clark.

Falk, Clark and Prof. Norman Forer ran the support networks from the United States and Western Europe that brought the Khomeini regime to power, and then ran the Carter-

backed U.N. Commission of Inquiry into U.S. "crimes" in supporting the Shah. Clark, after the fall of the Shah, marched in the streets of Teheran under banners calling for "Death to America," and later issued a joint communique with the Ayatollah Khomeini: "The Ayatollah Khomeini and I hope that the American people and President Carter will respect our wishes, and that the United States will not interfere through the army, through American advisors, the CIA, or through support for Bakhtiar, and let the nation determine its own fate. . . ."

Clark and Falk have pulled together leading separatist/integrist and terrorist support networks on two continents, including the American Indian Movement, the Baader-Meinhof/Red Brigades terrorist networks in Europe, and their above-ground supporters in the antinuclear "peace" movement, with church-based "human rights" networks.

In October 1983, Falk drew these forces to Manila, at the invitation of José Diokno, head of the Anti-Bases Coalition, the Justice for Aquino/Justice for All (JAJA) opposition movement and former head of the Filipino Civil Liberties Union. This was the first-ever nongovernmental international conference against foreign military bases; participants in-

cluded Falk, lawyer J. Roman Bedor of the Pacific Concerns Resource Center, Isidro Gali of the American Indian Movement, Alfred Horn of the West German antinuclear, environmentalist Green Party, retired Greek Gen. Georgis Kovmanakos, Francisco Penas of the Madrid-based anti-NATO commission, and Japanese parliamentarian Ryuichi Ishui.

The three-day conference concluded with a rally outside the U.S. embassy, where a four-page declaration was passed through the gates of the embassy for Ambassador Michael Armacost. That document repeated, in crucial features, the charges Falk lodged against the United States in its dealings with the Shah, including that U.S. military installations make the Philippines an unwilling target of Soviet SS-20 missiles and that the United States has held the Philippines economy "hostage" to its military interests and prevented the development of a "self-reliant," "nationalist-oriented economy."

Clark and Falk had claimed that the United States' biggest "neo-colonialist" crime in Iran was participating in its industrial development, specifically nuclear-related industries. In 1980, Falk stated that "nuclear technology in an undeveloped country will have to involve police methods just by the nature of the thing."

One banker involved in the Philippines debt renegotiations recently concurred, saying that large-scale development projects "are the genesis of the problem." The Philippines, he said, doesn't "need nuclear power plants." In fact, out of 11 ambitious development projects scheduled for completion by the mid-1980s, only 3 have not fallen victim to the IMF's deficit-cutting ax. Jose Diokno, the "Ramsey Clark of the Philippines," has personal experience in shutting down development projects. In the past he joined with Jesuit Bishop Claver to protect the endangered Kalingan tribe against construction of hydroelectric dams.

'Radical restructuring' planned

Last month Clark's Fund for New Priorities cosponsored Salvador Laurel's New York junket, but it is clear that Clark is not interested in any "liberal, transitional government." Clark declared: "We must free the Philippine people from the geopolitical and economic domination of these United States . . . and end all foreign loans and military grants. We must not give the Philippine people guns to point at their own throats."

Ending the "United States-Marcos dictatorship" is the stated goal of these circles and to do that they have made a deal with the illegal Communist Party of the Philippines, through its political front group, the National Democratic Front (NDF). Since early 1983, there has been consensus within the opposition movement to legalize the CPP, whose New Peoples Army is the largest guerrilla insurgency in the Philippines and is now in open alliance with the Muslim Moro National Liberation Front in parts of Mindanao. One of the fears of the U.S. Establishment think-tankers is that the NPA will make rapid political gains as the economic situation deteriorates, and leave the moderate opposition in the dust.

At an October 1983 conference in Stony Point, New York, the NDF won the endorsement of the entire network of World Council of Churches-backed opposition support groups.

The latest issue of *Southeast Asia Chronicle*, journal of the Southeast Asia Resource Center, makes clear the goals of the "Iran crowd" that is shaping the congressional debate on U.S. aid to the Philippines. The issue is wholly devoted to "The Philippines After Aquino, After Marcos." Author Joel Rocamora writes off all "elite" opposition leaders, such as Salvador Laurel, except Diokno and Tanada, who "stand out so dramatically for their principled position, especially on the role of the United States." Diokno and Tanada, Rocamora confirms, "became the main links between elite politicians and the many sectoral organizations sympathetic to the NDF who compose the bulk of [the] JAJA [opposition movement]." The two formed a more effective political organization last November, says Rocamora, the Nationalist Alliance for Justice, Freedom and Democracy. In stark contrast to the "elite oppositionists," Rocamora reports, "popular forces demand the radical restructuring of U.S.-Philippine relations away from U.S. dominance and control."

Of these forces, the NDF communist front group is the most important, and Rocamora quotes the September 1983 issue of their official journal, *Liberation*: "Not until the people's armed forces in the countryside have gained enough strength to lay siege around the capital, and the city's population is sufficiently prepared, will the outbreak of an armed uprising lead to a decisive victory for the people. . . ."

The need for armed struggle is the one point on which all underground organizations agree, says Rocamora. The largest and most influential of these is the Communist Party of the Philippines and its military arm, the New Peoples Army (NPA). He writes: "Among the organizations of the opposition, the CPP is politically and organizationally best prepared to benefit from the post-assassination situation. The murder of Aquino starkly shows that Marcos will use all means to defend his monopoly of power. It also shows the limits of reformist strategies in the anti-Marcos struggle and the need to develop the capability to fight Marcos on his own terms, with armed, underground forces."

In conclusion, Rocamora outlines the following scenario for the May elections:

"Groups interested in participating remain under heavy pressure from more numerous boycott forces. After the long Christmas season, the urban demonstrations are likely to start up again, this time fueled by new militance deriving from severe economic conditions. The cooptation of the elite opposition is not going to have much impact on the urban mass movement, but it may embolden Marcos to use heavier repression. The approval of the IMF and commercial bank loans could have the same effect. Intensified repression will strengthen the main organization with the network and experience of working under these conditions, the National Democratic Front. . . . The NDF stands poised on the threshold of a period of rapid expansion."

'Ecumenical' drive to wreck an ally

by Carole Greene

Joining the international oligarchy in its campaign to turn the Philippines into a new Iran is an ecumenical alliance of the most powerful religious institutions in the world. In the name of opposing militarism and winning peace, these institutions are in fact promoting an irrationalist, anti-Christian movement against the Marcos government that will only accelerate mass destruction throughout the region.

Allied to destroy the current government are 1) the World Council of Churches; 2) the National Council of Churches of the United States; 3) the Jesuit Order and its collaborators within the Catholic church.

World Council of Churches

At the Sixth Supreme Legislative Assembly, held in Vancouver, British Columbia from July 24 to Aug. 12, 1983, the World Council of Churches passed a resolution to kick the U.S. military bases out of the Pacific region. The resolution read as follows:

"We urge the churches as well to intensify their efforts to stop the rapidly growing deployment of nuclear weapons and support systems in the Indian and Pacific oceans, and to press their governments to withdraw from, or refuse to base, or service ships or airplanes bearing nuclear weapons in those regions."

The concrete aim of this resolution was "an end to nuclear testing in the Pacific and creation of a nuclear free zone in the Pacific." To accomplish this, a working "Committee against Militarization of Asia and the Pacific" was established, with the focus of gaining U.S. withdrawal from Clark Air Field and Subic Naval Base in the Philippines.

Was it an oversight that the resolution concentrated on removing U.S. bases, and not the expansion of Soviet naval power in the Asian theatre? Not really. For as *EIR* has documented, the World Council of Churches is dominated politically and theologically by the Soviet KGB's masters in the Russian Orthodox Church!

The National Council of Churches

By far the most active section of the World Council of Churches in the campaign against the Philippines is the National Council of Churches, an organization renowned for its promotion of guerrilla movements, population control, and "appropriate technologies."

The National Council of Churches works through the infamous Clergy and Laity Concerned, the group which consorted with Khomeini over the fate of U.S. hostages. The most famous member is the Rev. William Sloane Coffin, a founding member of the Committee Against Military Intervention in the Philippines (CAMIP), the most active organization in the crusade against the U.S. bases.

The NCC has participated in two crucial conferences on the Philippines issue. One, in October of 1983, brought to Manila Richard Falk, José Diokno, and representatives of the terrorist-associated West German Green Party and American Indian Movement to discuss creating a "nuclear-free Philippines."

The second conference, also held in October, took place at Stony Point, New York. Entitled "International Ecumenical Conference of the Philippines," the gathering drew a large range of Protestant groupings, as well as two leading Philippine Catholics—Bishop Labayan and Fr. Luis Hechanova, chairperson of the Association of Major Religious Superiors of Men. This conference determined to accelerate organizing in the United States not only against military bases, but also against economic aid to Marcos, and President Ronald Reagan's scheduled visit to the Philippines in November 1983.

The Jesuit Order

While the leading Catholic opponent of President Ferdinand Marcos is the non-Jesuit Jaime Cardinal Sin, the Jesuit order is crucial to the on-the-ground organizing against the U.S. bases, and to providing the sophisticated arguments that feed the movement in the United States.

America, the weekly magazine of the Society of Jesus in the United States, handed over the Op Ed space in its Dec. 3, 1983 issue to a journalist who argued for removing American bases from the Philippines, as a first step in "distancing" the United States from President Marcos, Singapore, Taiwan, and South Korea. His reasoning went as follows:

"While loss of the bases would involve some marginal degradation of U.S. capability, there are more important considerations. First, we would save the cost of operating the bases, greatly inflated by exorbitant 'rental' fees extracted by our 'ally,' Mr. Marcos. At least equally important, we would be free of the last vestiges of American colonialism. . . . Most important, we could distance ourselves from Mr. Marcos and all that he represents."

The current issue of the magazine of the Jesuit Georgetown University's Center for Strategic and International Studies also features an article arguing for the step-by-step removal of the United States from the bases.

Bishop Francisco Claver, S.J., a key organizer of the "anti-base" movement, constantly travels to Georgetown to consult on his activity. And perhaps it is no coincidence that the armed guerrilla movements against Marcos—the National Moro Liberation Front and the Communist Party's New Peoples Army—are heavily based in Mindanao, the historical center of the Filipino Jesuits.

Iran then. . . the Philippines now

by Gail G. Kay

A “second Iran” in the Philippines? Many of the same faces and institutions that orchestrated the Khomeini revolution through official U.S. government and private channels have reemerged since the Aug. 21, 1983 assassination of Philippines opposition leader Benigno Aquino to lead the assault on the Marcos government. The Iran story was told in part in *Hostage to Khomeini* (New Benjamin Franklin House, 1980); the full Philippines story has yet to be told. Among the perpetrators:

Ramsey Clark, U.S. attorney general at the Johnson White House (1967-69), was Jimmy Carter’s special envoy to Iran overseeing quasi-official links to the exiled Ayatollah Khomeini. In the closing days of the transitional government of Shahpour Bakhtiar, Clark shuttled between Teheran and Khomeini’s exile home in Paris. Clark marched through Teheran under banners reading “Death to America” and demanding the overthrow of Bakhtiar’s regime. He issued a joint statement with the Ayatollah from Paris: “The Ayatollah Khomeini and I hope that the American people and President Carter will respect our wishes, and that the United States will not interfere through the army, through American advisers, the CIA, or through support for Bakhtiar, and let the nation determine its own fate.”

Once the Ayatollah was in power, Clark and Professors **Richard Falk** and **Norman Forer** ran the U.N. Commission of Inquiry into U.S. “crimes” in the Shah’s Iran. In summer 1980, Clark went to Teheran again where he consorted with the same Iranian leaders who had seized the U.S. embassy and held 53 Americans hostage. He was not arrested upon his return to the United States.

Clark’s operations against the Philippines date back to 1977 when he organized a “counter-conference” against the Marcos government at a meeting of the World Peace Through Law congress. Clark’s group launched an investigation focusing on the “war crimes of President and Mrs. Marcos.” Since then, he has been working with Henderson Alvarez, the President of the Ninoy Aquino Movement, to bring about “change . . . so that the people of the Philippines can decide their own destiny.” This is the same formulation Clark used as Special Envoy to Teheran under Carter’s State Department case officer, Warren Christopher.

Ramsey Clark’s Fund for New Priorities hosted a banquet in February 1984 for visiting Philippines opposition leader Salvador Laurel in New York, where Clark told the 500-person audience: “We must free the Philippine people from the geopolitical and economic domination of these United States . . . and end all foreign loans and military grants. We must not give the Philippine people guns to point at their own throats.”

Richard Falk, a Princeton University professor, is a close collaborator of **Walden Bello**, head of the Congressional Liaison Committee of the Philippines Support Group, and **José Diokno**, head of the Anti-Base Coalition in the Philippines. Falk, an Amnesty International adviser like Ramsey Clark, led the assault on Iran’s nuclear development program through his U.S. People’s Committee on Iran. In 1980 Falk said: “Ramsey Clark and I spoke to many people and made the case that nuclear technology in an undeveloped country will have to involve police methods just by the nature of the thing.” In October 1983, Falk led a delegation of antinuclear—and in some cases outright terrorist—groups, for the first-ever nongovernmental international conference against foreign military bases. The conference, hosted by José Diokno, issued a declaration denouncing the “U.S.-Marcos economic and military dictatorship.”

William Sullivan, former U.S. ambassador to Manila (1973-77) and to Teheran (1977-79), is now president of the American Assembly, a think tank founded and funded by Democratic Party grey eminence Averell Harriman. As ambassador to Teheran, Sullivan was on the inside of the Carter administration’s covert contacts with the opposition to the Shah. Starting with his article, “Living Without Marcos,” in the Winter 1984 issue of *Foreign Policy*, and continuing with his late February testimony before the Solarz Subcommittee on Asia and the Pacific, Sullivan has called for the Reagan administration to seek “alternatives” to Marcos, along the lines of a “transitional” government that would include the likes of opposition leader Salvador Laurel, elements of the military and the IMF technocrats in Manila. One of Sullivan’s goals is to force President Reagan to give his personal imprimatur to the destabilization of Marcos.

According to *Hostage to Khomeini*, “Without the **British Broadcasting Corporation**, there would have been no Khomeini.” Throughout 1978, the BBC had dozens of “correspondents,” many of them stringers for Ayatollah Khomeini, stationed around the country. Within hours of a minor incident in some remote Iranian village, BBC Persian-language broadcasts would beam reports of mass unrest across the country. Starting in December 1978, BBC filled Iranian airwaves with the diatribes of Ayatollah Khomeini. In early January 1984, New York’s educational channel aired a two-year-old BBC production on the Philippines, lauding the guerrillas of the New Peoples Army as the most credible leadership force against the “U.S.-Marcos dictatorship.” The moderator was José Diokno.

What's at stake with U.S. bases

If the current drive by liberal Democrats and the self-proclaimed "peace movement" to force a U.S. abandonment of the Clark Field and Subic Bay military bases in the Philippines succeeds, the principal remaining outpost of American military power in the entire region will have been toppled, opening up Southeast Asia for Soviet political and military domination. Without the facilities in the Philippines, the U.S. Navy will have no military-qualified drydock and re-fueling capabilities anywhere in the Far East.

Since the end of the Vietnam War, the United States has withdrawn slowly but steadily from Asia. The Soviet Union, on the other hand, has tripled its ground-troop strength in Siberia since the mid-1960s, along with its naval and air strength. The Soviet Pacific Fleet ranks first of the four main Soviet fleets, and in 1979, the Soviet Union established a theater headquarters at Chita, near China's Manchuria province, to create a centralized command and control facility for the entire region.

A particular goal of the Soviet military buildup in Asia, stretching along an arc from Afghanistan to Kamchatka, is

control of the trade lifelines through the area. The Malacca, Sunda, and Lombok straits bear the traffic of 50% of the West's oil supplies and 80% of its other strategic materials. Naval facilities at Cam Ranh Bay, Vietnam have vastly upgraded Soviet maneuverability from the Indian Ocean to the Pacific.

The Carter administration started the process of stripping U.S. forces in Korea, and thereby increased the strategic burden on Clark Field (Air Force) and Subic Bay (Navy) in the Philippines. U.S. capabilities were stretched even thinner by assigning Clark Field as one of the command posts for the Rapid Deployment Force to protect Mideast oil supplies.

The Soviets have gained a critical margin of strategic superiority in the region, which includes:

- at least 135 SS-20 missiles reportedly stationed in three locations: central Siberia, east of Lake Baikal and along the northeastern border of China;

- 52 divisions of highly mechanized and highly trained troops. Since the 1979 invasion of Afghanistan, Moscow has substantially increased its forces in Western Asia to 100,000 troops and air bases guarded by SAM missiles, strength on a par with the Far Eastern Command;

- a Soviet Pacific fleet, the largest in the Soviet Navy, that numbers 765 ships, including 120 ballistic missiles and the largest component of nuclear submarines;

- base facilities at Cam Ranh Bay in Vietnam that can service 12 Soviet warships at one time. Large depots, communications facilities, including radar navigation and radio monitoring equipment and bombproof submarine pens have also been built at Cam Ranh Bay.

Guerrilla groups unite to overthrow Marcos

One of the most dangerous recent developments in the Philippines is the armed collaboration between units of the Muslim Moro National Liberation Front and the communist New People's Army against government troops in Mindanao. If the three principal guerrilla movements ever joined forces on a national level, they could seize control of nine of the rural provinces and hold them for several weeks against government troops, according to a report in *Worldview* magazine (fall 1983). They are now capable of taking on platoon-sized units.

Moro National Liberation Front: the largest of the three groups with 15-20,000 members, the MNLF is said to be armed with short-range missiles. There are two factions within it, one allied to Saudi Arabia, the other to Libya. In December 1983, the head of the Libyan-backed

faction, Nur Misuari, was replaced by Dimas Pundato, whom government sources describe as a "new, more dangerous" entity. In early March, 400 MNLF guerrillas waged a two-hour battle against government troops on Basilan, an island off Mindanao.

New People's Army: membership in the communist-backed grouping is reported at 5-7,000, with a mass base of about 1 million. There are three dominant factions in the NPA: one pro-Soviet, one pro-Chinese, and one other; the Soviet faction is said to be particularly active now. The NPA, in alliance with other groups, may now have the capability of eliminating the top leadership of the government, "either through assassination or armed insurrection," according to one source.

Social Democrats: the smallest of the three guerrilla movements, estimated at 3,000 members, is led by a Jesuit priest named Intangan. The Social Dems are trained in camps on the island of Borneo and then smuggled back into the Philippines by MNLF underground networks, our sources report.

Qaddafi's Libya retooled for a new rampage

by Criton Zoakos

The reorganization of the Libyan government as of Feb. 15 appears to have been a pre-scheduled development which coincided with a new policy of the State Department aimed at the internal destabilization of Egypt. As the Egyptian government charges, there exists a secret State Department document which argues that the United States should gradually disengage from Egypt on the grounds that Egypt's internal instability is bound to increase so much by the time of the scheduled June elections as to render Egypt a "liability" for the United States.

The State Department's policy dovetails with a New York Council on Foreign Relations strategy, partially published already, which provides for the Iranization of Egypt in the near future. Qaddafi's regime is assigned a special role in this project. Henry Kissinger and Gen. Vernon Walters also have parallel, complementary roles. The CFR's project to "Iranize" Egypt is supervised by the Council's own chief officer, Winston Lord, who, as director of Henry Kissinger's State Department Policy Planning Council, had initially developed the blueprints for the destruction of Iran during the latter period of the Ford administration while Kissinger was Secretary of State.

Qaddafi and François Genoud

With respect to Qaddafi's current role, the following observations: The reorganization of the Libyan regime toward the middle of February had been preceded by an unusual but little-noticed move. The obscure Monsieur François Genoud, a Swiss financier who is the legal custodian of Adolf Hitler's literary remains and the presiding officer of the old Abwehr Nazi intelligence network still functioning in the Middle East, moved his offices from Geneva to Tripoli, Libya in the beginning of 1984. Genoud's move to Tripoli occurred almost

simultaneously with the arrival in Libya of some 4,000 East German military and security advisers. Within weeks yet another Libyan-East German security cooperation treaty was signed.

François Genoud is known among Western intelligence agencies to be the kingpin controlling not only the old Abwehr-Nazi networks in Muslim Brotherhood circles in the Middle East, but also much of the professional hit capabilities among Islamic terrorist organizations, an area in which the East German secret services, as surrogates of the Soviet KGB, also possess extensive supervisory controls. Thus, the Genoud and East German moves into Libya in the early part of this year signaled a consolidation of a certain type of Libya-centered terror and destabilization capabilities, as well as consolidation of policies on whose behalf these capabilities are employed.

Then came the reorganization of Qaddafi's government, which presented two most notable features. First, a new ministry was created which, though formally named General People's Committee for External Security, could best be described as the "Ministry for International Terrorism," under the notorious terrorist controller Col. Yunis Bilqasim Ali. Second, a new foreign minister was named, Ali Abd as-Salam at-Turayki, known in New York circles as "Mr. Tricky." He was Libya's former ambassador to the United Nations, replacing Ambassador Khikhia, who defected from the Qaddafi regime. At-Turayki, while in New York, maintained liaison not only with Libya-supported, U.S.-based terrorist groups, but also with U.S. policy-elite circles such as those around the old Carter administration of "Billygate" fame, and those around the Council on Foreign Relations and former Ambassador J. William Fulbright who consider themselves the guardians of the Qaddafi regime's well-being.

So, this at-Turayki brings us to Henry A. Kissinger's involvement in Libya's current enterprises. The granddaddy of those in elite circles in the West who consider themselves Qaddafi's protectors is Lord Alec Douglas-Home, the veteran British diplomat who, according to Kissinger's own public confessions, has served both as a "model" and a "controller" for Kissinger. The record shows that Douglas-Home as foreign secretary and Henry Kissinger as National Security Adviser played the central role in first installing to power and then consolidating and protecting the Qaddafi regime in the 1969-71 period.

Libya's new foreign minister was appointed for the purpose of maintaining closer liaison with these circles during the critical maneuvers ahead.

New pattern of provocations

Shortly after the mid-February government reshuffle, Libya's capital, Tripoli, became the stage for virtually incessant "mass mobilizations," rallies and demonstrations against primarily four targets: the Egyptian government, the Arafat leadership of the PLO, King Hussein of Jordan, and President Numeiry of the Sudan. Nightly, these rallies have been addressed by Qaddafi himself, his prime minister, Colonel Abd as-Salam Ahmad Jalloud, or the chief of staff of Libya's Armed Forces, Brig. Gen. Abu Bakar Yunis Jabir.

To a rally of Egyptian anti-Mubarak dissidents in Tripoli, Major Jalloud outlined Libya's current policy against Egypt, as though scripted by the State Department: "Brothers . . . the battle of Beirut resulted in the victory of the pan-Arab cohesion among Libya, Syria, the Lebanese masses and the new Palestinian [anti-Arafat] revolution. . . . The victory in Lebanon must now be used for the victory of the Egyptian masses in Egypt, for the victory of the Sudanese masses in Sudan. . . . We are proud of the Arab masses in Egypt. We have full confidence that these masses will rise, like the small Lebanese people rose. . . . Abdel Nasser will not rest in his grave until Egypt is liberated. . . . The liberation of Egypt is an essential and vital issue. We must make all sacrifices and take all risks. . . . All the potential of the Libyan people, army and blood are for the liberation of Egypt and for solidarity with the struggle to liberate Egypt."

During a previous rally, the street mob, in the presence of Qaddafi, burned down the Jordanian embassy in Tripoli, which resulted in rupture of diplomatic relations between the two countries. In the context of this public hysteria, Kissinger and his friends moved to set up their Sudanese trap against President Mubarak of Egypt.

Kissinger Associates and Chevron Oil

On March 15, a Soviet-built TU-22 jet bomber without markings bombed the Omdurman suburb of Sudan's capital city of Khartoum. The Sudanese and Egyptian governments identified the origin of the plane to have been the Libyan air base at Al-Kufrah in southeast Libya. The bombing caused the destruction of two government buildings and the death of

five persons. Both Sudan and Egypt asked for U.S. military assistance. The United States sent two AWACS planes on March 17. The Libyan government announced on March 19 that the U.S. dispatch of the AWACS "is an imprudent provocation. Libya's Air Force is capable of destroying them in Egyptian and Sudanese airspace." Subsequently, Qaddafi announced that Mubarak and Numeiry will suffer a fate like other Middle East rulers who in the past relied on U.S. military assistance for their security, such as the Shah of Iran and Lebanon's Gemayel. Almost on cue, Henry Kissinger appeared on national television to call on the United States government to stop all military involvements in the Middle East. On March 21, the White House announced that it had abandoned its plan to supply weapons to Jordan and Saudi Arabia.

Simultaneously, a massive upsurge in insurgent activity started to be registered throughout Sudan. Egypt is being presented with the option of either getting involved deeper and deeper in Sudanese counterinsurgency, or allowing its southern neighbor, and thus its Nile river water supplies, to fall into the hands of Qaddafi-armed and led rebel forces. The following connection exists between Qaddafi and Kissinger in the matter of Sudanese insurgency:

The leading insurgent force in southern Sudan is the Nyanya tribe whose leadership has entered into an agreement with Qaddafi on the basis of which it receives arms and military instruction. The leadership of the Nyanya tribe has also entered into an agreement with Chevron (Standard Oil of California), on the basis of which Chevron will have exclusive rights to exploit the petroleum deposits found on the Nyanya tribe's territory once the insurgents establish a separate state. Chevron has retained Henry Kissinger as its chief adviser for this operation. The Kissinger team heading up the Chevron-Sudan study includes Kissinger associates Alfred Atherton (former U.S. ambassador to Egypt) and Dany Chamoun.

Two weeks before the Omdurman bombing, Sudan's reputedly corrupt defense chief Major Gen. Umar Muhammad at-Tayyib spent six days in Washington meeting, among others, with Chevron Oil representatives and according to some reports, with Henry Kissinger. Upon his return to Khartoum on March 6, he brought with him the notorious Kissinger troubleshooter Vernon Walters. Walters advised the Sudanese government on how to act in order to elicit U.S. military assistance. According to reports from BBC in London, the Omdurman bombing was concocted by the Sudanese themselves after the Walters visit, as a dramatic means of forcing the Reagan administration into providing military assistance.

The incident has resulted in only minimal U.S. assistance but maximum political reaction of a sort feeding the mill of Libyan propaganda. Once this result was produced, Kissinger moved in Washington to prevent the possibility of any serious U.S. military involvement against either Qaddafi or the Sudanese insurgents.

Tales of bloody horror from Iran

by Criton Zoakos

"The corpse of a 19-year-old Mojahed, Akbar Poordarvish was seen by his family," the typewritten report before me read. "He had been arrested some time previously and the torturers had gouged both his eyes out. His chest was severely burned and then ripped open. Akbar's arms, too, were smashed."

The report went on: "Mansoorah Arabali: A girl student in the Isfahan University. Her breasts and loins displayed signs of severe burns; the neck, the right side of her face and the nails were all bruised under blows; the upper limbs were both severed from the trunk. She died under torture."

And further: "Ali-Morad Panahi: altogether he was given 9,000 lashes from the time of his arrest until he died. . . ."

"Hamid-Agha Ali-Seachani: Severe infection of mouth and lips as a result of hard blows; broken teeth; bruised face and forehead; signs of whipping on feet. Four shots were fired into his abdomen, but he was not shot in the head to prolong his agony before death."

". . . in the town of Oroomieh, a Mojahed's right arm was first amputated, for he was distributing leaflets with that hand. Then he was tied to a pole and in order to increase his agonies, the guards began shooting him in the legs first and slowly coming up to his chest. Then they refused to shoot the prisoner under execution in the head, thus leaving him to die slowly and with greater agony. . . ."

Further down, the typewritten report in my hands, supplying information on the state of affairs inside Khomeini's Islamic Republic of Iran, as you may have surmised by now, extensively documents the systematic rape before execution of female detainees:

"According to the religious decree issued by Khomeini, those women and girls arrested and imprisoned are automatically regarded as 'spoils of war' and become the slave girls of Khomeini's followers. This would then allow the torturers to rape them. Many women have been raped prior to their execution. One of the 'professional rapists' in the prisons is Hadi Ghaffari, a deputy in Khomeini's Majlis (parliament)."

According to a "religious opinion" promulgated by Ayatollah Montezari, the Koran considers it "indecent" to execute virgin girls. "Thus, on the eve of the execution, the

guards rape them to remove their virginity."

The report in my hands is a 326-page compilation of disparate typewritten statements smuggled out of Iran and hastily put together between two four-color paperback cover sheets made to resemble a book. It is titled *At War With Humanity: A Report on the Human Rights Record of Khomeini's Regime*. It contains a "partial list" of 2,594 names of Iranian individuals executed between June 20, 1981 and Dec. 15, 1981. It contains dozens of photographs of mangled, mutilated, bloodied, and torn bodies of what once were human beings.

The written testimonials and the agony-filled photographs go on endlessly to compose a grim documentary for just one chapter of the unfinished Khomeini story, from June 20 to Dec. 15, 1981.

The gas chambers are back

Now, almost three years and half-million dead later, a new urgent report is howling at us from the Iranian inferno: Gas chambers have been established in major Iranian cities. The source is an Iranian scholar who just escaped from Iran and presented his charges before French television on March 21, 1984. His charges are:

Contrary to U.S. State Department pious protests against alleged Iraqi use of "nerve gas" against Iranian troops, those Iranian patients now being treated in Western hospitals for chemical gas afflictions are the victims of the Khomeini regime's own gas chamber program. According to Dr. Parviz Pirnia, the Iranian scholar, the patients were contaminated as a result of the explosion of a chemical factory in the city of Marv-Dasht near Shiraz producing *cyanhydric acid*, which the Nazi's once called Zyklon B. The gas is produced for use in gas chambers which have been discretely in operation since 1980 for the primary purpose of eliminating political prisoners who are either too well known to be tried or too controversial to be jailed with other prisoners.

Too late to wash your hands

EIR approached Amnesty International and the World Council of Churches in an effort to goad them to action

against Khomeini's criminal activities. The response from Amnesty International Geneva offices was "We will not take political action against the Khomeini government. Even if we were around in World War II, we would not have taken action against the Hitler regime." Their London office stated: "The atrocities conducted by Khomeini do not come under the mandate of Amnesty International because they do not come under the 'prisoner of consciousness' definition."

The Middle East office of the World Council of Churches answered: "We are playing it low-key on the Iran question because we are negotiating a trip there right now."

The complacent, smug bastards at the State Department, who planned and carried out Khomeini's elevation to power, won't even admit that there is a problem to be concerned with in Iran. The Soviet government, a party to the crime of installing Khomeini to power, also remains silent; the East German government has reportedly supplied technical assistance for the construction and operation of the Zyklon B factory. The West German government under Foreign Minister and Kissinger protégé Hans-Dietrich Genscher is engaged in major economic deals with Khomeini. The Israeli government, to its great shame, has supplied Khomeini with approximately \$500 million worth of military equipment in the last three years.

Those among our readers who have followed our coverage of the Iranian crisis since 1978-79 know who is hiding behind this gruesome, criminal conspiracy of silence. Henry Kissinger's State Department planned the destruction of Iran; Cyrus Vance's State Department carried it out; Alexander Haig's NATO Command enforced it; the senior chiefs of British Intelligence coordinated and controlled every facet of the operation—and still do. The "great families" of the Anglo-American establishment, the authors and inspirators of the Khomeini phenomenon, meant it to signal a return of humanity to a "New Dark Age."

There are a great number of so-called Americans who are to be held directly and personally responsible for what is going on in Iran today. Americans, more so than Khomeini, must and one day will be held responsible before courts of law for *gas chambers*. Americans, if justice be done, must and will be held responsible for the sadistic, slow executions of tens of thousands. Americans must be held and judged for the rape of virgins before their brutal executions. Americans such as Henry Kissinger, Cyrus Vance, Alexander Haig, General Huyser, Zbigniew Brzezinski, Bernard Lewis, Marvin Zonis, Richard Cottam, Ramsey Clark, Gregory Bateson, Ambassador Sullivan, and those who took orders from them.

Don't kid yourselves: No matter how the Department of State is trying to conceal the facts behind this drama; no matter how our own home-grown criminals are pretending not to know what human agonies their policy actions produced and are producing; no matter the Eichmann-like denials and protestations, the truth will come out.

And the truth, above all, is that the good name and honor

A call to patriots

Send us information on traitors inside or outside the government of the United States who are directly or indirectly supporting the Khomeini regime or are otherwise committing acts which are legally treasonous under the laws applying in a situation of declared war between the U.S.A. and Khomeini's Islamic Republic.

Many such treasonous individuals are known to have operated and still do operate in various branches of the government, including the State Department and portions of the Defense Department, the Treasury, and so forth.

They are in violation of U.S. law.

Your information, supplied to EIR, will lead to their eventual prosecution. Contact our offices.

From the time of Lyndon H. LaRouche, Jr.'s declaration of March 13, ascertaining that a declared state of war exists between the United States of America and the Islamic Republic of dictator Ruhollah Khomeini, until the conclusion of this matter, *Executive Intelligence Review* shall maintain a special staff which will compile and publish information on activities of individuals and institutions in the United States whose activities constitute treason as legally defined by U.S. statutes which come in force when a declared state of war exists.

We therefore call on all U.S. and Iranian patriots to come forward, either anonymously or eponymously, and supply us with information pertaining to treasonous or potentially treasonous activities of individuals or groups, including within the government of the United States, who are providing "aid and comfort" to the Khomeini government, by means of direct or indirect trade, supply of weapons, supply of information, financial support, or by any other means.

This information will, in verified form, be used to form the legal dossiers on such individuals and institutions and will be employed in legal actions at the appropriate time. Legal cases will be constructed on the basis of laws pertaining to treason in wartime and on the basis of the Nuremberg Statutes respecting crimes against humanity.

—The Editors

of the republic of the United States of America have been blotted for the world to see with the abominations of Khomeinism. The American people, too, not just their putative leaders, will have to share a good part of the responsibility. True, they did not know, they were not told the policy being carried out in their name. Their moral flaw lay elsewhere: They didn't give a damn.

When the oligarchical-controlled mass media drew the population's attention to Iran momentarily, it was only to sell them the story of how the "American-controlled Shah" was causing misfortunes to his country by being "pro-American." And the cheap sentimentality which our liberal mass media know only too well how to induce in a population which wallows in banal indifference, led our population to accept the proposed policy: "Let's get out of Iran." We left, to leave behind an inferno.

Moral indifference

Now the same oligarchical liberals are making the same appeal, "Let's get out of Europe." Let's "not give a damn" about Europe, as we did not "give a damn" about Iran. Such an oligarchical operation would succeed if the banal indifference of the American population toward the fate of the world continues. If our people fail to summon up a capacity to wage war against Khomeini and what Khomeini represents, if they fail to be moved by the anguished, bloody *cri du coeur* of mangled Iran, it will have lost its moral fitness to survive, and it will not survive. The Nazi American liberals,

led by Kissinger and his patrons, have caused us to lose our friends in the developing world, such as Iran of old; they are now causing us to lose our allies in Europe. Based on a continuing inability of the people of the United States to organize a moral opposition to Khomeini, they might well cause us to lose our own republic.

When you decide to conduct yourself on the basis of the fact that a state of declared war exists between the United States and Khomeini's Iran, review in your mind's eye the dismembered, disembowled, and raped corpses of Iranian victims, who were not even allowed the right of a quick, private death agony. You will not be able to redress this wrong—ever. But what will you do about the morally responsible perpetrators, the smug bastards of the U.S. Department of State and their masters and patrons, the impeccably mannered Eastern Establishment, the Harrimans, Bundys, Cabot Lodges, and the others?

Win this war first. And then educate yourself about what kind of justice you must enforce upon these fellows, what kind of justice which would heal such huge, gaping moral wounds.

LaRouche declares state of war between U.S. and Iran

On March 13, U.S. Democratic presidential candidate Lyndon LaRouche declared that a state of war presently exists between the United States and the lunatic regime of Ruhollah Khomeini. The Khomeini regime has made declarations and has committed acts of war against the United States. The government of the United States must take the legal and other measures, including the cutoff of trade and the prosecution of U.S.-based supporters of the outlaw regime, responsive of this fact, said LaRouche.

Among the hostile declarations of the Khomeini government against the United States are:

- The President of the Islamic Parliament, Hojatoleslam Rafsanjani, stated in February that "the Islamic Republic is waiting for the opportune moment to destroy the White House on the heads of Ronald Reagan and company."

- On Feb. 15, the Assembly of United Islamic Movements, Iran's terrorist umbrella organization, held a meeting in Teheran at which escalating terrorist operations in North America were planned.

- Regarding the attacks on the French and American barracks in Beirut, attacks for which Iranian terrorists were largely responsible, Iranian President Khomeini stat-

ed on Oct. 24, 1983 that "a powerful and dynamic move has been organized by the Lebanese faithfuls in the north, south, and Beirut itself . . . the occupying . . . forces must be expelled from the country. . . ."

- An Iranian justice ministry communiqué praised the attacks: "Thanks to God, the bases of tyranny of America and France over Lebanon have collapsed, and an important number of mercenaries of imperialism and Zionism are dead in the ruins of their palace of tyranny."

- On Nov. 11, the Iranian media called the bombings "a well-deserved" punishment. A nation has the right "to inflict decisive blows by all possible means on intervention forces and on aggressors to end interference in their destiny."

- On Aug. 5, 1983, Khomeini stated: "The reactionary rulers [in Saudi Arabia] oppose anti-American policies. . . . 'Death to America' and 'Death to Israel' should be chanted at Hajj [Pilgrimage] ceremonies [in Saudi Arabia] which will be a means for awakening an uprising of the oppressed nations of the Islamic world against world arrogance."

- On July 13, 1983, Khomeini told a group of Islamic ambassadors to Iran: ". . . the United States is in very great danger in the region. Unfortunately, its economic and political power increases daily. This problem should be solved by Muslims and if we officials do not solve it, the Islamic nations will not put up with it for even a moment. We believe it is impossible to fight Israel without fighting the United States."

Belisario Betancur begins mop-up of narco-terrorism in Colombia

by Valerie Rush

The Kissinger scenario for the “Hong Kongization” of Ibero-America suffered an important reverse March 10 when special anti-narcotics squads of the Colombian National Police captured a cluster of modern cocaine processing laboratories the size of a small city and seized nearly 14 tons of refined cocaine, estimated at 25% of U.S. annual consumption of the deadly drug.

Not only does the cocaine crackdown promise dramatic repercussions in the world narcotics trade, but it also sends an unmistakable signal to the International Monetary Fund and Swiss banking houses that the immense flows of illicit wealth which have kept their debt scam afloat may soon be drying up.

Last November, the Swiss daily *Neue Zürcher Zeitung* threatened Colombia that if it persisted in fighting the drug trade, it would “no longer be in a position to earn the foreign exchange necessary for its economy.” Colombian President Betancur has, however, persisted, and his recent warning to the international creditors that the continent must prepare to face its creditors as “one single great Latin American nation” suggests that the independent-minded Colombian leader has a strategy that could well be timed to coincide with the controversial late-March tour by Mexican President de la Madrid of Ibero-America’s major debtor nations and Colombia.

An end to ‘Tranquilandia’

The Betancur government’s dismantling of the immense jungle laboratory, known to its owners as “Tranquilandia” and to inhabitants of the region as “Villa Coca,” was reportedly assisted by a communications satellite whose powerful radar helped to pinpoint the world’s largest refining center, which had been sending clandestine transmissions to its suppliers in neighboring Peru and Bolivia. Other laboratories in the region have since also been seized and dismantled, 19 in all thus far.

In addition to the mountains of cocaine that were poured

into the Yarí River or incinerated, the anti-narcotics squads also confiscated entire flotillas of small planes and helicopters, trucks, cars, tractors and motorcycles, microwave ovens used to dry the cocaine base, sophisticated communications equipment, electrical generators, washing machines and refrigerators, and a variety of arms. The seizure of files and receipts of international drug transactions conducted at Tranquilandia is expected to lead to a record number of arrest warrants and extradition requests.

As important as the drug seizure itself is the fact that irrefutable proof was uncovered in the raids of extensive mafia/guerrilla collaboration, as *EIR* has charged. Dozens of guerrilla uniforms were discovered at Tranquilandia along with documents outlining a detailed business relationship between the cocaine traffickers and several regional fronts of the Revolutionary Armed Forces of Colombia (FARC).

Even more conclusive proof was offered just days after the Tranquilandia bust, when a 100-man commando of the April 19 guerrilla movement (M-19) attempted to take over the city of Florencia, capital of the department of Caquetá where Tranquilandia was discovered. Although the M-19ers only managed to hold the city a few hours before the military dislodged them, the guerrilla assault—which left some 30 dead—was universally viewed as retaliation for the destruction of the cocaine labs.

The overt action of the M-19 commandos in defending the interests of their drug-trafficking colleagues has provoked a split in the M-19 ranks, with the central command of the guerrilla organization issuing a strong denunciation of the Florencia raid and expelling its leader, alias “Boris,” for unauthorized and provocative acts. “Boris” has nonetheless continued to lead his band of terrorists in raids throughout the area, with the military in hot pursuit.

Immediately following the Florencia assault, the Betancur government imposed a state of siege in the four departments of Caquetá, Huila, Cauca, and Meta—the stronghold

of the cocaine mafia as well as of the guerrilla bands—to allow security forces and the military to complete the job.

Reports that Tranquilandia and the other cocaine laboratories had been operating for several years suggest that the decision of the government to shut them down now was an intensely political one. Insiders have told *EIR* that part of President Betancur's decision to move had to do with the fact that his justice minister, Rodrigo Lara Bonilla, had just survived a mafia-orchestrated scandal against him and emerged bolstered from the contest. The anti-drug efforts of Lara Bonilla, according to national police spokesmen, were a determining factor in the success of the Caquetá drug raids.

Two of the documented owners of the Tranquilandia laboratories—Pablo Escobar Gaviria and Evaristo Porras Ardila—were the key figures behind the scandal against Lara Bonilla. Porras had claimed that he had given Lara Bonilla 1 million pesos before Lara was appointed Justice Minister, allegedly to use his influence against the extradition of Pablo Escobar to the United States on drug-trafficking charges. The billionaire Escobar, along with a third prominent mafioso, Fabio Ochoa Restrepo, had been fingered last year by Lara Bonilla as founders of the right-wing death squad MAS.

Although press reports have made much of the narco-guerrilla link the raids have uncovered, none have dared to explore the implications of the evidence that both left- and right-wing terrorism has a common "mother" in the drug trade, as demonstrated by the alliance among factions, at least, of the FARC, M-19, and MAS.

This "Nazi-communist" nexus has been elaborated in some detail by *EIR* in recent publications. The collaboration of the Sendero Luminoso guerrillas in Peru, for example, with a drug trade dominated by old Nazi International networks exemplified by Klaus Barbie, was one of several indications that "right" and "left" had formed a symbiotic relationship with the drug trade.

United States Ambassador to Colombia Lewis Tambs traveled to Washington the week of March 19 to give a major briefing to the press, in which he stressed that the Caquetá raid was "the largest operation against drugs ever conducted anywhere in the world." He noted that the guerrillas "served as protectors and guards of the camp and took a percentage of the benefits."

Colombian Defense Minister Matamoros was explicit that the guerrillas and the drug traffickers were each working for their own interests, "but with the same dark designs." He added, "This 'Narcoguerrilla' alliance is a new threat to democracy and if we do not act rapidly and energetically our constitutional system could be in danger. . . . We will not surrender in this war that we have begun."

A 'no' to the IMF

As *EIR* has painstakingly documented over the years, the cultivation of drug-based economies in Ibero-America has

long been the gameplan of the International Monetary Fund. Violent opposition to industrialization, capital-intensive technological innovation and large-scale domestic or regional development projects has been the foundation of every IMF "restructuring program" and loan conditionality imposed on Ibero-America, with the result being economic shrinkage, population reduction, and a dramatic accumulation of unpayable debt. That is where Dope, Inc. and the narcodollar lure enter.

The blackmail against Colombia has been as much a question of the narcodollars which the economy has come to depend on, as the threat of triggering a new Central America-style "*Violencia*" civil war should Colombia seek the development path instead of drugs. Betancur's decision to go for a shutdown of the Colombian cocaine trade therefore occurs at a critical moment not only for Colombia but for the entire continent. The possibility of a March 31 debt default on the part of Argentina, with Brazil, Peru, Venezuela, and others likely to follow, poses a unique moment for joint action on a number of fronts.

It is in this context that Mexican President de la Madrid's Ibero-American tour to Brazil, Argentina, Venezuela, and Colombia this month is becoming the center of everyone's attention. In anticipation of de la Madrid's visit to Colombia, Betancur has given a series of interviews to the Mexican press emphasizing the need for a new continental strategy to face the combined threat of economic collapse and social decomposition.

On March 10, the day of the huge cocaine busts, Betancur told Mexico's *El Universal* that "The visit of Miguel de la Madrid [to Colombia] is in no way ceremonial. . . . We have much to learn from Mexican know-how. . . . Above all, we want to learn how we can exploit our extraordinary electric energy potential . . . to construct energy infrastructure in Central America and extend it through Mexico. This could be achieved with the creation of binational companies."

On March 17, Betancur explained to the Mexico City daily *Excelsior* that Ibero-American unity was "indispensable and urgent" and that "we must be able to present ourselves before the international financial world as a single great Latin American nation that needs to refinance its foreign debt."

Ibero-America has much natural wealth, stressed Betancur, which must be exploited in new bilateral and multilateral trade arrangements and through the creation of new binational and multinational companies. This would be a major topic of discussion with his Mexican colleague, declared Betancur.

While much of de la Madrid's tour will focus on economic and trade questions, the war that Betancur has launched against the drug trade will necessarily put a second topic on the tour agenda: How can Ibero-America forge an alliance "as one single great Latin American nation" to defend itself from the International Monetary Fund and its junior partners in the drug trade.

De Gaulle heir calls for strategic defense

by Garance Upham Phau

Speaking at an electoral meeting of the Gaullist party in La Chesnay, Versailles, March 15, Gen. Alain de Boissieu put forth a defense strategy for Western Europe similar to that developed by Lyndon H. LaRouche.

De Boissieu, probably the best-known general in France, is the son-in-law of the late President Charles de Gaulle. He stated that a comprehensive defense strategy for Western Europe must involve development of beam weapons and repudiation of the McNamara flexible response doctrine. Such policies would not be realized, he said, with Dr. Henry Kissinger, "that dangerous man," in power.

The general made public on this occasion his decision to join the France et son Armée (France and Her Army) committee created by associates and friends of LaRouche in France and headed by Jacques Cheminade, secretary-general of the European Labor Party in France. The aim of the committee, which is holding a conference on beam weapons in Paris March 23-24, is to secure joint work between Europe and the United States in developing beam weapons.

"Jacques Cheminade has very sound ideas on national defense, which I endorse completely, as I endorse the call of the France et son Armée committee" said General de Boissieu, as he waved the conference invitation. "Unfortunately I will not be able to attend but I invite you all to do so."

Deterrence through defense

Western European defense "does not start on the Rhine but at the Iron Curtain," said the general, who outlined the means and strategy necessary for securing the continent. He explained how his father-in-law, de Gaulle, developed the *force de frappe* missile arsenal in order to remedy the insanity of the "Mutually Assured Destruction" and "Flexible Response" doctrines imposed by "utopians" such as former Defense Secretary Robert McNamara and Henry Kissinger. Thanks to de Gaulle we have had "40 years of peace" in Europe, he said. "Now, deterrence through defense will replace deterrence through attack and nuclear terror," thanks to President Reagan's March 23, 1983 announcement of a U.S. commitment to build beam weapons.

General de Boissieu optimistically said he believes that Reagan would carry out his beam-weapons promise with the "young men around him" and not with Kissinger. "I think

that Reagan knows that this man is dangerous."

He called for a large-scale effort in Western Europe to build defensive systems, and proposed that neutral countries such as Sweden or Switzerland could join in the effort. He also cited Col. Marc Geneste's article in the French military monthly *Défense Nationale*; Colonel Geneste, a member of France et son Armée, is known worldwide as the most outspoken advocate of the neutron bomb as a key component of a European defense.

Boissieu also cited French deputy Jean Brocard, who posed a parliamentary question about beam weapons last year to Defense Minister Charles Hernu. At the time Hernu volunteered the information that France was indeed interested in those weapons. Since then President Mitterrand has endorsed beam-weapons development, which he had initially condemned last spring.

The General then commended Cheminade and his party's *Nouvelle Solidarité* for their "sound ideas" on defense.

In response to a question from the audience about the reunification of Germany, the general replied: "Have no illusions, the Soviets want West Germany and they will not give East Germany to the West."

At that point a Gaullist on the podium, M. de Vernejoul, intervened to say that one of the panels in the March 23 beam conference was going to "develop an interesting question in that regard"—"the Nazi-Communist collaboration in subversion of the West."

The type of defense under discussion, commented a Gaullist, M. Borotra, is not going to be implemented in the present economic depression. The beam-weapons program must be fought for together with the fight for a program of economic recovery and growth.

LaRouche versus Kissinger

The Gaullist party of France is now sharply divided on the LaRouche-versus-Kissinger question. On March 15, well-informed Gaullist sources reported that Kissinger had telephoned a Gaullist leader and said, "LaRouche and Cheminade are persons I hate; I think, at least politically, they should be shot" (*des personnes à abattre*). This was understood as a direct threat on the eve of the beam conference, at which both LaRouche and Cheminade were scheduled speakers.

On the Kissinger line is the defense adviser of the Gaullist Club 89, Aurillac, who makes the obscene contention that LaRouche is linked to the KGB because to advocate beam weapons is to leave Europe unprotected. By this reasoning, of course, Ronald Reagan would also be suspect. Aurillac has been an adviser to the Polish Prince Michel Poniatowski, the interior minister under the Giscard d'Estaing presidency. Prince Ponia, as he is called, publicly peddles the Kissinger policy: tear down advanced-sector industry, and savagely reduce population in the developing sector.

The biggest purge in decades hits U.S.S.R.

by Konstantin George

It was "the biggest purge in recent memory, at least since the Khrushchev years," according to a Radio Liberty veteran who oversees the station's compilation of Soviet purge data dating from October 1952. The source was commenting on the results of the Communist Party (CPSU) elections for 1,600,000 party secretary posts from the level of single factories up to multi-provincial regions. The elections, held in December and January, elected the party leaderships of the districts (*okrug*), counties (*rayon*), provinces (*oblast*), and regions (*krai*).

Radio Moscow's domestic service of March 18, in the first summary of the results, reported that fully *one third of all party officials up for "elections"* lost their posts, being "retired," demoted, or promoted. Thus, in a two-month span, over 2 million party members changed positions.

The function of the purges in the current drive for total militarization of the Soviet economy was underscored in Radio Moscow's assertion that the "elections" would result in "greater labor discipline" and were part of the continuing "fight against corruption," themes prominent during the December Central Committee (CC) Plenum. The Dec. 26 announcement that Mikhail Solomentsev, former prime minister of the Russian Republic, and the current holder of that post, Vitalii Vorolnikov, were appointed to the Politburo, and that Viktor Chebrikov, KGB chief, was made a candidate Politburo member, signaled the consolidation of those allied with the military and the Orthodox Church's "Moscow the Third and Final Roman Empire" doctrine.

The prelude to this consolidation of the Russian chauvinist grouping includes the following shakeups:

In April 1982, Andropov officially "vacated" his KGB chief post and joined the elite Party Secretariat; Chebrikov became first deputy chief of the KGB. In July 1982, Sergei Medunov, the first secretary of the important Krasnodar *krai*, was dumped and replaced by Vitali Vorotnikov, who was brought back from political exile as ambassador to Cuba. (The June 1983 Plenum expelled Medunov from the CC and elevated Vorotnikov to a candidate member of the Politburo.)

On April 29, 1983, Yegor Ligachev succeeded Ivan Kapitonov as head of the CC's Organizational Party Work Department—i.e., the hatchetman who travels around the country overseeing elections and dismissals. On Dec. 26, 1983, as newly appointed CC Secretary for Party Work, Ligachev

took over all Kapitonov's functions.

The Soviet Union is divided into 151 provinces; party secretaries in at least 30 of these *oblasts* have been removed or shifted in the recent purge, a 20% turnover, with at least nine—all CC members—permanently "retired." Three of the replaced *oblast* first secretaries, Mikhail Voropayev (Chelyabinsk *oblast* since 1970), Mikhail Ponomaryov (Vladimir *oblast* since 1961) and Nikolai Konovalov (Kaliningrad *oblast*), all close associates of Solomentsev, were coopted in December and January as his deputies on the Committee for Party Control, which Solomentsev was named to head by the June 1983 Plenum.

Military and media: Yepishev and Zimyanin

Since April 1962, Gen. Alexander Yepishev—a deputy minister in 1951-53 of the MVD, the combined interior and security ministry under Lavrenti Beria—has headed the Main Political Administration (MPA) of the Soviet Armed Forces. Yepishev runs the military media, defining the war-conditioning of the troops and the portrayal of the enemy. Recent features include the violently anti-Semitic diatribes in *Red Star* starting in August, the "We'll do it again" treatment of the KAL airliner affair, and, since December, a *Red Star* campaign against "Nazis and neo-Nazis" in the West German military, as well as campaigns against alleged Danish and Norwegian violations of post-war understandings with Russia—so Ivan will know why he's marching in, should orders come.

At the same time, the interior ministry (the police) acquired the Yepishev look. For the first time in Soviet history, it has an MPA, headed by Maj.-Gen. Victor Gladyshev, who told *Komsomolskaya Pravda* on Nov. 26: "There are still many shortcomings in the activities of the organs of internal affairs," attesting that the purge that began with the removal of Interior Minister Gen. Nikolai Shcholokov in December 1982 is not over.

Since March 1976 (one month before Dmitri Ustinov became defense minister), the CC secretary in charge of media and propaganda has been M. V. Zimyanin, like Yepishev a former close associate of Beria, like Yepishev protected by the foreign ministry and given an ambassadorial career in the first post-Beria years, and like Yepishev a "comeback" to the top leadership in the 1960s and 1970s. In 1965, Zimyanin and his close associate L. N. Tolkunov were made respectively chief editors of *Pravda* and *Izvestia*, posts both held until 1976. Before his editorship, Tolkunov had been Andropov's deputy at the CC's department for relations with East European parties, which Andropov then headed. In the December 1982 purge, Zimyanin appointed Boris Stikalin, the former deputy chief editor of *Pravda* he had brought with him to *Pravda* in 1965, as the new chief of the CC Propaganda Department, and in February 1983, Tolkunov again became chief editor of *Izvestia*, which has led the Soviet campaign against *EIR* founder Lyndon H. LaRouche.

Swedes fail to end Soviet sub threat

by Göran Haglund

The Swedish Navy has been trying to track down what is assumed to be an intruding Soviet mini-submarine hiding in the militarily highly sensitive area just off the major naval base of Karlskrona, in the south of the country, since Feb. 9. The submarine is believed by the Swedish Navy to have been trapped inside a several-miles-wide area. During the intervening weeks, the Swedish population has been torn between doubts about the real nature of the mysterious underwater activity and emerging fears of the consequences of having to admit that little can be done to end the free access of the Soviet military to secret Swedish military installations.

The ugly face of appeasement

Responsible for this predicament—known clinically as the farce of Swedish neutrality—is Sweden's political leadership, and partly the military as well. Rather than acting vigorously, politically and militarily, to place a penalty on Soviet intrusions higher than the gains expected by the intruders, Prime Minister Olof Palme is leading an unprecedented appeasement policy through his own, private back channels in Moscow.

In a speech on March 16, Palme attacked what he described as "right-wing anti-Sovietism" in Sweden, and he again stressed that "we have no basis for making any accusations against the Soviet Union." Furthermore, "Once an agreement is made" with the Soviets, Palme said, "we can rely on their sticking to it." This statement has observers in Stockholm wondering what sort of secret agreements Palme may be referring to, given that no public agreements at all have been made with the Soviets regarding the submarine incursions, for which Moscow outrightly denies any responsibility.

Effectively preventing the Swedish Navy from ever hitting an intruding mini-sub, Palme's line is that the primary task of the Navy is not to blow the thing out of the water, but to "secure evidence" and "establish clarity" as to what is going on underwater and, if anything is there, to force it to the surface without inflicting unnecessary damage and risking the loss of human life "in times of peace." Using such "humanitarian" balderdash in the face of what military specialists have concluded must be Soviet preparations for submarine-launched surprise strikes against the West from Swedish territorial waters, is worse than criminal.

This display of treachery follows statements by the Swedish Defense Ministry last fall and the Chief of Staff of the Armed Forces, Rear Admiral Bror Stefenson, this winter that Sweden is committed to shooting down NATO cruise missiles passing through Swedish air space en route to their targets in the East—statements that were acknowledged by Radio Moscow on Feb. 5 as indicating a welcome shift in Sweden's defense posture.

Furthermore, *Pravda* of March 15 attacked those in Sweden who "are taking advantage of every excuse, even the most absurd and far-fetched, such as 'intentional encroachments' by Soviet submarines into Swedish territorial waters, in order to provoke hostility toward the Soviet Union in Sweden," while in the same article heaping praise over Olof Palme, especially for his international efforts for disarmament and nuclear-free zones.

Such "friendly" Soviet acknowledgements that Palme is bending over backwards to please them, however, have always been coupled with rude intimidation.

During the 1981 incident of the "Whisky on the Rocks"—the Soviet submarine that got stuck on the rocks off Karlskrona, a few miles away from the current incident—a Soviet naval force, thinly disguised as "salvage ships," made repeated, full-speed surprise approaches toward the submarine, simulating a raid to liberate it, and changing their course only as they were about to enter Swedish waters.

More recently, as Soviet ambassador Boris Pankin visited Palme supposedly to apologize for the Soviets' "regrettable navigational errors," Comrade Pankin on the contrary demanded a *Swedish* apology, "as Sweden has offended the Soviet leadership and the Soviet Navy"!

Join the West!

But Palme is now facing opposition even within his own party. On March 16, a leading member of Sweden's Social-Democratic party (SAP) called for Sweden to join the Western Alliance and branded all attempts to stick to neutrality in response to the impending Soviet threat as "not only stupid, but close to criminally insane." Writing in *Svenska Dagbladet*, Sweden's leading conservative daily, Thorwald Arvidsson, an executive committee member of a Stockholm district of the SAP, stated that Sweden should "take out its national insurance policy in the same company where two of our Nordic neighbors are already policy-holders"—referring to Denmark and Norway's NATO membership.

Hitherto, only the European Labor Party in Sweden has conducted a campaign to bring Sweden into the Western Alliance. On Radio Free Sweden, the local radio station run by the ELP in Stockholm, in mass leaflets and in the ELP's newspaper *Ny Solidaritet*, calls have been issued for Sweden to contribute to the building of the Western beam-defense system announced by President Reagan a year ago, and to sign the 1949 North Atlantic Treaty, which provides for mutual defense in case of an attack.

What's at stake in the current Moscow-Peking negotiations

by Richard Cohen

In 1980, the strategic situation for China looked desperate. Its economy was thrown off stride and drastically overextended. The poverty of Chinese conventional capability had been demonstrated. After U.S. Defense Secretary Harold Brown's trip to Peking in January 1980, the People's Republic of China (P.R.C.) found itself saddled with primary responsibility for aiding and defending a vulnerable Thailand against Vietnamese forces in Kampuchea across the border, although this task was hardly within P.R.C. capabilities.

Moreover, the Chinese leadership, particularly the surging Deng forces who were more comfortable with former Kampuchean leader Prince Norodom Sihanouk, found itself saddled with a world-renowned genocidalist, Pol Pot.

Also in Southeast Asia, the P.R.C. suffered a serious setback in early 1980 when India recognized the Heng Samrin government in Kampuchea. Then the Afghanistan invasion put massive pressure on China's western front, and particularly China's ally Pakistan.

Even while presenting its desperate common front against Moscow in 1978, the P.R.C. leadership acknowledged that a new world war could be deferred. By 1980 Deng declared that such a war was likely in the 1980s, but it would not occur in the East. Deng cited Western Europe, Southwest Asia, and the Persian Gulf as likely targets; in 1980 the P.R.C. leadership launched a frenetic campaign warning of imminent Soviet designs on the Gulf and Pakistan. While Carter's response to the Afghanistan invasion was the unenforceable "Carter Doctrine" for the Gulf and a reversal on a ban on aid to Pakistan, Pakistani Prime Minister Zia ul-Haq was slow to respond, recognizing the new strategic equation.

At the same time, China was entering into what would amount to a two-year fight with the United States over the question of Taiwan. By 1980 Moscow had surrounded China with a preponderance of hardware. China was weakened economically, yet forced to assume greater strategic responsibilities in Thailand and Pakistan.

Deng in ascendency

In the midst of overwhelming Soviet application of pressure, 1980 saw crucial shifts in the Chinese factional situation. In February, two significant developments occurred.

Based on the momentum Deng forces demonstrated in 1979, the former P.R.C. president considered the number-two man in the communist regime during the first 17 years of its existence—Liu Shao-Chi—was posthumously rehabilitated.

With this rehabilitation, the Deng forces had consolidated control, for Liu had been castigated during the Cultural Revolution as the greatest source of evil in China.

While Liu was rehabilitated, Deng's leading underling, Hu Yao-pang, was promoted to head a revived party secretariat, and by March, Hu had launched a stinging attack on China's economic performance under Hua. At the same time, criticism of Mao intensified, while the Deng group launched its first public assault on the forces of Chou En-lai protégé Li Hsien-nien in the party and Yeh Chien-ying in the military Central Command, accusing them of having a feudal mentality (i.e., opposition to economic reforms).

Then, in July, the Hua group was staggered by the posthumous public criticism of Kang Sheng, Mao's spymaster (and reputed illegitimate father of Hua). Several key Hua associates were purged.

At the same time, the Deng group masterminded a big attack on the "petroleum faction," as the Li-Yeh grouping was known, charging them with responsibility for the economic dislocation which wracked China starting in 1979.

By August, Hua had been replaced as premier by another Deng understudy, Zhao Zi-yang. The blitz to power by the Dengists climaxed in December 1980 with the show trials of the Gang of Four and the Lin Piao group.

Moscow hesitates

Sinologists in Moscow did not miss the significance of these changes. First, 1980 marked the year in which the P.R.C. leadership openly reported no further interest in intervening in Moscow's internal affairs. This was the final indication that Peking had opted to abandon the so-called ideological dispute with Moscow which Mao Tse-tung has started privately in 1958, and which then evolved remarkable mutations.

It could not be missed in Moscow that in 1980 the "Nine Comments" issued by Peking in 1963 under Mao's sponsorship to define the Sino-Soviet ideological dispute were now

being attacked in *Chen Ming*, a Hong Kong newspaper closely associated with Deng's views. Taking note of the rehabilitation of Liu, *Pravda's* I. Alexandrov (the byline for the Politburo) wrote in April and May 1980 that P.R.C. policy would now be to defer war. Alexandrov cautioned, however, that Liu's rehabilitation did not mean basic changes in Peking's foreign policy.

In short, Moscow would recognize that the Sino-Soviet dispute had long lost its ideological steam, and that the P.R.C. leadership would now have a keen interest in lowering tensions with Moscow from a position of geopolitical weakness.

While the U.S.S.R.'s 26th Party Congress, initiated on Feb. 23, 1981, showed no fundamental changes in China policy, a new geopolitical tack for handling Soviet policy from the Mideast in an arc to northern China was floated. Adding to his just-announced New Delhi proposal regarding a significant Soviet role in a so-called security pact for the Persian Gulf, Leonid Brezhnev urged talks with "all interested countries" in the Far East to discuss "confidence-building measures." Under this heading, Brezhnev slyly introduced a proposal to include the "international aspects of the Afghanistan problem," and even to deal with the Soviet military "contingent," but only once the catch-all quote "imperialist undeclared war against socialists in Afghanistan" ceased.

The U.S.S.R.'s new strategy

Fundamentally, Moscow was about to surface an extraordinary new phase of its strategic approach. The Soviets would first seek to consolidate global diplomatic recognition of the successful expansion of Moscow's outer perimeter accomplished during the Soviets' 1977-80 military "breakout."

Second and most important: Moscow would seek to build upon such a global confirmation of their imperial growth in an even more egregious fashion than they had used in the Committee on Security and Cooperation in Europe (CSCE) process, for the purpose of neutralizing strategically isolated non-aligned or pro-Western governments in the arc from the Middle East to Japan.

Most heavily targeted at this time would be the Gulf states and Saudi Arabia, whose neutralization would also be aided by the Israeli invasion of Lebanon in spring 1982, the subsequent Soviet commitment to the Syrian position in Lebanon, and by the Iran-Iraq war.

Also targeted, beginning in 1980, was Pakistan, and by 1983, Bangladesh and Sri Lanka. High on Moscow's list as early as 1980 was the neutralization of ASEAN, where a vulnerable Thailand would be heavily pressured militarily while a Sinophobic Indonesia would be offered Soviet sweeteners, such as a fall 1983 Soviet statement that Indonesia would not be targeted by SS-20s. Finally, the Soviets would upgrade their tactics for the most important targets of their neutralization efforts in Asia: the P.R.C. and Japan.

While the 26th Congress of the Soviet communist party sent out signals of a new tactic in China policy, the P.R.C. in early 1981 began to witness a reaction to the 1980 Dengist

political blitzkrieg. In the spring of 1981 after the trials of the Gang of Four, a crackdown on liberal dissidents overlapped an army-inspired campaign against liberal-bourgeois and unpatriotic behavior.

Backlash in Peking

However, the momentum generated by Dengists during 1980 carried over into the Sixth Plenum of the 11th Central Committee, where in the summer, the P.R.C. leadership made a decisive step when acknowledging that Chairman Mao had made serious political errors since 1957. The anti-Maoist proclamation was only muffled when the more vociferous elements of the Deng group unsuccessfully demanded that some of Mao's errors since 1957 be identified as crimes. In addition, Hua, after being criticized for "leftist policies," was replaced as party chairman by Hu Yao-pang.

But by December several important members of the Deng group were forced to make self-criticisms, and in January 1982 Li openly urged a crusade against economic crime; this time the crime attacked was not the porkbarreling of a year ago, but unscrupulous profits made from Deng's economic reforms.

With the Li-Yeh group reasserting itself and a cautious Moscow maintaining a holding pattern in Sino-Soviet relations during the course of 1981, border tensions between the two countries resurfaced. During 1981 the P.R.C. launched a propaganda campaign against early-1981 Soviet probes claiming that Moscow's control of the strategic Pamirs was legal due to certain czarist claims. The P.R.C.-Vietnam border remained extremely tense, and a border spat with India emerged, after what appeared to be a successful visit to New Delhi by Chinese Foreign Minister Huang Hua.

In the midst of deteriorating Sino-Soviet relations, U.S.-P.R.C. relations during 1981 were also deteriorating around the Taiwan issue: Within the context of an anti-Deng backlash, the P.R.C. launched an extremely hard-line campaign on the Taiwan issue.

Moscow ups the ante again

In March 1982, two months after the death of Marxist-Leninist ideologue Mikhail Suslov, an arch-foe of China, the Soviets launched a major initiative toward China. This initiative keynoted a full-scale escalation of the China and Asia tactic suggested at the 26th Party Congress. By that time, former KGB head Yuri Andropov was being elevated to the important position of Secretary of the Central Committee while he and his Russian Empire backers gained preeminence in Soviet policy.

At the same time, Azerbaijani KGB head and close Andropov ally Geydar Aliyev—later to become a member of the Politburo—moved into the middle of Soviet China policy, in March the dying Brezhnev visited Tashkent in Uzbekistan. Finally responding to Peking's 1980 signals on willingness to drop ideological disputes, Brezhnev stated that while some of the P.R.C.'s foreign and domestic policies

were anti-socialist, China must be identified as a socialist country.

Playing on Sino-American tensions over Taiwan, Brezhnev openly rejected the idea of two Chinas and endorsed Peking's sovereign right to Taiwan. He urged renewed economic, scientific and cultural relations between the two countries, stating a willingness to reopen border talks at any time and negotiate "confidence-building measures."

Brezhnev's Tashkent proposal in turn coincided with a massive Dengist counterattack against the Li-Yeh group. In March 1982, Premier Zhao launched a renewed push for Deng's economic reforms. By May a reorganization of the State Council drastically undercut the power of the Li-Yeh group.

Then in September, at the 12th Party Congress, one month after a face-saving Sino-American joint communiqué on Taiwan, Hua was expelled from the Politburo. In October, Deng carried out a purge of the military. Bilateral talks between Moscow and Peking were formally reopened, and by the end of the year the Chinese media launched a major assault on "leftism."

The tactical agendas at the October Sino-Soviet talks revealed the geopolitical interest of both sides. The P.R.C. delegation immediately identified a series of preconditions that Moscow would have to fulfill prior to any normalization of relations between the two countries: Chiefly, a massive scale-down of Soviet force on the Sino-Soviet border, removal of Soviet forces from Afghanistan, removal of Soviet support activities for the Vietnamese occupation of Kampuchea, and the eventual removal of Soviet military divisions from Mongolia.

Moscow, on the other hand, seeking the optimum of maneuvering room from its weak Chinese neighbor, sought only a general agreement stressing normal, friendly relations between the two countries, and a sizable increase in trade.

In short, the P.R.C. sought a pull-back of threatening Soviet and Soviet-sponsored force from its borders prior to normal relations, while Moscow sought normal relations first, as a political condition within which it could gain greater nuclear- and conventional-force flexibility and secretly assert its role as mediator and facilitator between its own Asian allies and Peking.

Intelligence reports from the October 1982 meeting suggest that China may have agreed not to dispute Soviet-based naval and air capabilities stationed at Cam Ranh Bay in exchange for a pledge to remove Soviet aircraft from Danang, where it more directly threatens the P.R.C., to Cam Ranh Bay.

Openly, both sides pledged to revive trade consulates and small-scale exchange programs. And the P.R.C. would, immediately after the October meeting, embark on an effort to broaden its ties with Eastern European countries.

In November, at Leonid Brezhnev's funeral, Foreign Minister Huang met privately with Andropov, and afterwards expressed "optimism" about the future of Sino-Soviet talks.

At this point sources close to the White House began to evince nervousness over the potential course of Sino-Soviet relations. Peking would try to parlay the pressure of these new Soviet relations to extract concessions from Washington—and use U.S. relations to extract concessions from Moscow.

Following George Shultz's trip to Peking in February 1983, Chairman Hu, visiting Yugoslavia in May, threatened renewed confrontation in Sino-Soviet relations unless the U.S.S.R. changed its Kampuchea policy. In response to the Chinese game, Andropov and Aliyev escalated.

Moscow tests Peking

First, they broke a tacit October 1982 agreement urging a moratorium on propagandistic attacks, when in April and May of 1983, Soviet journals assaulted the P.R.C. for not being forthcoming in the talks (on May 31 the Soviet military magazine chided China for refusal to talk with Vietnam), in the same breath that Moscow attacked the P.R.C.'s opposition to the Vietnamese proposed formula for discussions on Kampuchea.

More importantly, Moscow tested Peking's commitment to the entire process. When the Soviet-aligned government of Mongolia unexpectedly expelled 8,000 ethnic Chinese, a humiliated China was supposed to recall Vietnam's expulsion of large numbers of *Hoa* (Chinese nationals in Vietnam) in the spring of 1978. Unlike the 1978 reaction, China accepted this new humiliation quietly. By threatening confrontation, Andropov and Aliyev sought to quicken the pace of reconciliation.

And despite the building military pressure, by the spring of 1983 the Chinese leadership saw flexibility in the Andropov-led Politburo. But Peking's willingness to concede to Moscow's principal strategic objectives was still far away, if latent. The optimal signal of Chinese neutrality that Moscow sought—but could not obtain—would have been the reversal of China's Japan policy, so that Peking would strongly oppose Japanese rearmament.

In the aftermath of the March Sino-Soviet talks, the pace of negotiation quickened. While no headway was made on Afghanistan, Kampuchea, or the Sino-Soviet border issue, the two sides agreed to double trade and resume technical cooperation.

Symbolic of this development was an agreement to allow the U.S.S.R. to help modernize an old Soviet-constructed factory in Harbin, Manchuria. Despite China's desire for Western technology, it has pressured the West since early 1983 by pointing to the advantages of low-cost barter trade and savings on plant modernization as opposed to new plant construction, in their dealings with Moscow. In addition to the Manchuria technical agreement, China also agreed to reopen trade routes between Soviet Turkistan and Sinkiang.

The Chinese then invited the archduke of Soviet Orientalism, Mikhail Kapitsa, to Peking, while permitting the first Soviet tourists in decades to enter China. Trying to ignore the Mongolian provocation, Peking invited a Mongolian sports

team to China and later displayed a low-keyed reaction to the Soviets' August 1983 KAL-007 shoot-down.

Evidence of Moscow's commitment to push through its new China perspective was revealed by early 1983 in the public queasiness demonstrated by Moscow's allies in the region who have immediate security stakes in their own relations with China: Mongolia and Vietnam. In August, Andropov took to the pages of *Pravda* with the consoling formula: "We proceed firmly from the premise that Soviet-Chinese relations must be built in such a way that they do not hurt third countries. We expect the same from the Chinese side."

In the midst of Moscow's attempt to pacify and to reassure its allies in the region on the new China tactic, in late August, only five days prior to the KAL shoot-down, Andropov offered a limp overture in a public proposal aimed at Japan and China, which offered not to increase the deployment of Soviet SS-20 missiles in the region. The ploy was to be differentiated from the January 1983 Gromyko statement which openly argued that SS-20s that exceed agreed-upon limits at any successful arms-control negotiation would be transferred to Siberia. The fraud was unveiled by the massive build-up of Soviet tactical nuclear forces in Asia during the course of 1982 and 1983, aside from SS-20s.

The third round of talks begins

Thus the Soviets had already set the parameters for the third round of Sino-Soviet talks to begin in 1983. They sought to increase the pace of negotiations by a sudden humiliation of Peking and Mongolia. A series of apparent Chinese "concessions" followed, while Moscow moved to secure several unnerved allies behind its game plan. This was accomplished while at the same time, through the KAL-007 shoot-down and the October Soviet-run North Korean massacre of the South Korean cabinet in Rangoon, Moscow had gravely threatened Reagan's fledgling Asia policy.

At the third round of talks, Soviet negotiator Leonid Llyichev proposed a "concrete confidence-building measure": that neither side hold maneuvers near the common border. Chinese negotiator Qian Qui-Chien reacted sharply, calling the proposal a "trap," and demanding that Moscow first reduce its troop strength on the border.

Despite these limits, Sino-Soviet negotiations had moved to a serious stage, one that intelligence sources could see developing—in the future—into an agreement modeled on the 1955 Yugoslav-Soviet accord (where both sides agreed to manage their disagreements).

By October, this momentum generated new life into the long-festering Sino-Indian border talks. The border dispute was first brought into negotiations in October 1981; there the talks stalled. However, at the end of October 1983, both sides would claim that significant progress had been made.

Then in November Geydar Aliyev attended the Fifth Conference of the Vietnamese Communist Party and took the occasion to label the United States as the central destabilizing

force in the region. Privately, Aliyev was said to have pressured Hanoi to become more forthcoming with Peking. Hanoi not only rejects Brezhnev's Tashkent declaration that China is a socialist state, but it argues that Peking—not the United States—is the major security threat in the region. Nonetheless, reports have persisted of limited back-channel discussions between China and Vietnam in 1983.

Demonstrating his commitment to the new Moscow line, Vietnamese Foreign Minister Thach happily reported on his meeting with Chinese Foreign Minister Wu at the October 1983 session of the United Nations. This, in addition to a toned-down assault on the P.R.C. in the Vietnamese press, initiated in October, was a notable signal.

And there are intelligence reports that in the late fall of 1983, China and Vietnam began a considerable withdrawal of troops from their common border. Le Duan, speaking in the presence of Aliyev on Nov. 9, did not even attack China by name, while recalling the importance of Chinese aid during the Vietnam war.

The Mongolian card

Immediately following the third round of Sino-Soviet talks in October 1983, an important Mongolian military delegation arrived in Hanoi. The trip, probably arranged by Moscow during the period prior to Aliyev's arrival in Hanoi, was targeted to signal unanimity among Moscow's allies in its new China policy. Yet Ulan Bator appeared to show increased resistance to the policy.

On the 34th Anniversary of Mongolian-P.R.C. relations, however, the Mongolian media launched into a harsh anti-Chinese attack, asserting that China had made "crude errors" during the Cultural Revolution and that China also refused to give up its "anti-Sovietism." These press charges re-emphasized that Sino-Soviet normalization "must not harm the national interests of other countries, while at the same time fingering Peking's early 1983 demand that Soviet troops be removed from Mongolia before Sino-Mongolian normalization can take place.

Whether this new assault on the P.R.C. emanating from Ulan Bator was cooked up in Moscow or not, Mongolia is probably Moscow's chosen whip in the negotiating process.

Then finally, after aiding the North Korean terror bombing in Rangoon in October—an act which not only torpedoed the front end of a new U.S. Asia policy but also threatened Peking's security by increasing tensions on the Korean peninsula—Moscow, according to intelligence sources, has sent clear signals to Peking and Washington that it is now interested in restraining Kim Il-Sung.

Any major military disturbance between North and South Korea would torpedo China's modernization hopes, cutting off its access to Japanese and American technology as a result of necessary P.R.C. material support for North Korea—support that under these circumstances would be necessary to offset what in Peking would be considered a deadly Soviet gain in Pyongyang.

A glance through postwar archives

The late Gen. Charles de Gaulle had some harsh words for the U.S. and European "de-couplers" of 1951.

On a recent trip to the city of Nimes, I was tipped off by a charitable soul that this city, famous for its Roman ruins and bull-fighting, was the stage from which the late Gen. Charles de Gaulle made an important speech against decoupling Europe and the United States.

Remember 1951? The war was raging in Korea. Tensions were very sharp in Europe, and people were concerned about how to defend the Old Continent. On Dec. 19, 1950, upon a request from the ministers of the Atlantic Alliance, U.S. Gen. Dwight Eisenhower was nominated Supreme Allied Commander in Europe; "Ike" arrived in France on Jan. 7. Here are excerpts of what de Gaulle said:

"The fight which is raging in Korea and in Tonkin has finally awakened the world. Peoples are distinguishing, while still rubbing their eyes, that the curtains are open onto the harsh light of danger. In Washington as in Paris, in Rome as in London, in Bonn as in Madrid, this slumber at the brink, this deliberate illusion, this forced indifference in which we have been plunged for so long because we were afraid of seeing things clearly, all this, we must quit. . . . The concessions that we had lavishly offered, in the hope that they would soften [the enemy], appear for what they are, i.e., absurd and ruinous. One discovers now that our only opportunities are strength and firmness. . . .

"In truth, it is high time, on this shore of the Atlantic Ocean as well as on the other, that we stop dancing the

ballet of hesitations. After so many council meetings, conferences, committees, plans, studies, releases, it is time that common action be really built and prepared. . . . On the side of freedom, there are different responsibilities upon which the future depends and on the basis of which nations and the world must be explained. In this grave hour, surrounded by the anxious masses of French people gathered here, I wish to explain what they are and how they are shared between the United States, Europe and France.

"Responsibilities? Americans! It is on you that, for the time being, most of them rest. As a nation, you are intact. As a power, no other has the means that you have. As a state, you are still standing, because the circumstances have kept you, as yet, away from the disasters which destroy institutions. On the grand table of history, where the merits and the mistakes of each people are written, you have now the case number one. This is a very heavy privilege. . . . Upon what you are going to do in the drama in which we all are involved, your destiny rests, as well as that of the rest of the world.

"*Americans! Do defend Europe! Europe needs you. You need Europe. . . .* Europe being what it is, its salvation is the condition for yours. . . . Letting the Soviet system engulf French, Germanic, Latin, and Scandinavian soils, even after having burnt them, would be to give [the Soviets] an incalculable reinforcement. . . .

"No! The side of freedom can-

not—under no circumstances and at no price—lose what it still has in Europe. This is a priority. . . . The masters of the Kremlin, through trapping in Asia as much as possible of the Western Forces and through demanding loud and often what they call the demilitarization of Germany, want to get the United States to decouple from Europe. . . .

"Let the United States, let Europe, and let France do their duty."

So much for those liberal Eastern Establishment liars who tried to describe Charles de Gaulle as a "communist," the same charge that U.S. Gen. Gorman and Henry Kissinger recently made about the government of Mexico.

Attracted by the clarity of those statements, I decided, back in Paris, to have a further look at de Gaulle's intervention into that period of history. Here is how he stresses the same point again on Feb. 25, 1951, in the city of Bourges:

"In front of the Soviets, the solidarity of the New and the Old Worlds is the law of salvation for one as well as for the other. I beseech the Americans to entertain no illusions. If Europe were to be lost, whatever is still free in Asia would also be lost. Africa would soon be indefensible. And then, what would the United States become, cut off from the rest of the Universe, in the middle of a continent shaken by deep unrest?

"No, if Free Europe were attacked, American forces should massively intervene immediately. And, when I say Free Europe, I mean all of it. . . . Of course such a policy cannot be left to America alone. The nations of Europe must also supply a vast effort, and we want them to do it."

It is quite clear that de Gaulle would not have permitted Kissinger to rant about decoupling in *Time* magazine without reacting.

German Social Democrats hoist red flag

Class-struggle rhetoric, support for the KGB's "nuclear-free zone," and a new opening to East Germany.

In the fall of 1983, the Italian Socialist Ripa di Meana published documents proving the close collaboration between the Socialist International's leadership and the Soviets on certain key anti-American issues. The Socialist International's president, West German Social Democratic Party (SPD) chairman Willy Brandt, responded by accusing Ripa di Meana and a whole faction of conservatives in the social democracy of "collaboration with Western intelligence agencies." At the same time, the Arne Treholt spy case in Norway proved Ripa di Meana's point: Treholt, a leading politician of Norway's Socialist Party, proved not only to be a colonel in the KGB, but also to have written the original script for the "call for a nuclear-free zone in Europe" which has become the battle-cry of the German Social Democrats in their fight against the U.S. Euromissiles in Germany.

In the meantime, the SPD has embarked on a public campaign to make its contacts to the East more official: A delegation of SPD deputies in the national parliament visited, for the first time ever, the East German national assembly. The delegation was led by Horst Ehmke, author of a recent anti-American document titled "The Self-Defense of Europe."

Another delegation headed by the leader of the SPD parliamentary opposition in Bonn, Hans-Jochen Vogel, traveled to Moscow and East Berlin between March 7 and 10 to meet the new Soviet figurehead Konstantin Chernenko and the East German party

chief Erich Honecker. Summing up his talks with Chernenko, Vogel mentioned that they also resolved to step up the international campaign "against the militarization of space"—a reference to President Reagan's beam-weapon anti-missile defense policy. Summing up his talks with Honecker, Vogel said he saw "more commitment to disarmament on the side of Herr Honecker than on the side of [West Germany's] Chancellor Kohl."

A few days after Vogel's return from East Berlin, Ehmke wrote an open letter which claimed that "all present problems in Europe" could be traced back to the fact that the German workers' movement of the 1920s was split into Social Democrats and Communists. This, he said, "paved the way for Hitler" and thus for World War II and Europe's post-war partition into East and West, too. Resuming the dialogue between Social Democrats and Communists, Ehmke said, would therefore help to overcome some of Europe's problems of today.

At the same time, the SPD's party manager, Peter Glotz, stated in a public speech that the party had to change its self-conception and work with the labor movement to "become the organizational center for a new political left capable of gaining the [parliamentary] majority in this country." Glotz added that the SPD's new program should revive the recognition of the "conflict between labor and capital." This reference to old class-warfare demagoguery comes at a moment when the country's trade-union leadership is

preparing workers for mass political strikes against the stationing of the U.S. missiles and U.S. chemical weapons. Glotz's statements were preceded by a visit of Soviet "labor union leader" Mikhaleyev to the West German Federation of Labor's headquarters in Düsseldorf, and by the visit of the chairman of the German metal workers, Gustav Mayr, to Moscow, for talks on "issues of disarmament."

On March 17, Egon Bahr, the SPD's leading spokesman for a pro-Soviet ordering of European affairs, said that "the Soviet leaders show more commitment to nuclear disarmament than the Americans" and gave the green light for his party section to open official relations with the neighbouring party sections of the SED (Socialist Unity Party), East Germany's ruling party.

What makes this contact delicate is the fact that Egon Bahr's party base is Schleswig-Holstein, the north German region threatened most by Warsaw Pact shocktroops. But that is not what concerns the Schleswig-Holstein Social Democrats: Their agenda for the upcoming dialogue with the SED at the end of April is to discuss "the idea of a Europe free of nuclear and chemical weapons" and "free of American GIs and Red Army soldiers as well."

Elderly, conservative Social Democrats, who are obviously in a minority within their party now, have warned of such contacts: They remember that the last such experiment in rapprochement between the SPD and the Communists ended with the Communists taking control of the Social Democrats in East Germany. This merger, forced through under Soviet auspices, was sealed in 1946 with the foundation of the SED which has become the West German Social Democrats' favorite dialogue partner of today.

What's Zamyatin doing in Italy?

Warnings of a coming terrorist upsurge coincide with the timing of the Chernenko adviser's visit.

Whether or not the "march on Rome" of March 24, which will draw a million and a half people to the Italian capital, results in a widely predicted terrorist bloodbath, there is evidence that it is intended as a big step toward making Italy into a non-Western "former" democracy.

Well before the giant national demonstration being organized by the communist wing of the Italian trade union movement, *EIR* began monitoring reports that the "march on Rome" could be the occasion for mass violence. The event is organized and paid for by the Communist Party of Italy (PCI), which has hired 3,600 buses, 40 special trains, and two ships to bring the crowd to Rome.

The demonstration caps a series of labor strikes organized by the PCI that have hit every part of Italy. Right-wing terrorist groups may launch bombings of some of the trains, creating the beginnings of a violent revolt. Italian neo-Fascist terrorists have a long history of train bombings. In 1970, a massacre was prevented at the last moment, when neo-Fascists bombed the railway while trains carrying workers to a rally were passing through.

As recent court investigations in Italy have proven beyond any doubt, these "black" terrorists have common owners with the "red" forces they claim to hate, running through the Soviet KGB-linked international illegal drug and terrorism networks.

As for the "red" side: Interior Minister Oscar Scalfaro told the daily *La Repubblica* on March 21 that the dem-

onstrator posed a serious danger of terrorism, and named "Autonomia Operaia" (Workers' Autonomy) as a group that is ready to shoot. Scalfaro made the point that though the PCI may not be directly responsible for terrorist acts, the communists have created the environment for such acts. When the autonomists' jailed leader Toni Negri, now a fugitive in France, ran for parliament last year, the PCI supported his campaign.

Interior Minister Luigi Scalfaro met the head of the PCI-dominated trade union CGIL to discuss an emergency plan to prevent "provocations." On the other hand the PCI, which has been accused by nearly every Italian party of organizing not only the "Islamization of the masses" (as Pierre Carniti, the head of the Christian Democratic CISL union federation put it) but mass terrorism, is continuing in its frantic organizing for the mass social upheaval.

The overall plan was ordered and is directly followed, step by step, by the Soviet leadership. In the second half of March, who should arrive in Italy but Leonid Zamyatin—one of the closest advisers to Soviet party boss Konstantin Chernenko and the head of the International Information Department of the Soviet Central Committee. Zamyatin was accompanied by the spokesman for the Soviet General Staff, Marshal Nikolai Chervov.

According to my sources in Rome, the two Soviets were dispatched to make sure that the PCI carries out its orders. At the same time, Moscow is

making certain political and economic offers. Chervov and Zamyatin, after meeting with PCI General Secretary Enrico Berlinguer, met with the Vatican Secretary of State, Cardinal Agostino Casaroli. Casaroli is known as the author of the Vatican's current *Ostpolitik* ("opening to the East") and the supporter of a new blind form of "détente" with Moscow. The visitors also met with the heads of the parliamentary foreign affairs committees, Sen. Paolo Emilio Taviani and Hon. Giorgio La Malfa. "The U.S. has broken the continental equilibrium," Zamyatin stated in a speech during a conference organized by the Istituto Affari Internazionali (IAI), the equivalent of the New York Council on Foreign Relations in Italy.

Among the participants in that conference were also the head of the Italian Energy Agency (ENEA), Umberto Colombo, and large delegations from the public industrial corporation IRI and ENI. The offer was made still clearer by Marshal Chervov, who reminded the Italians about the "good times under détente when Soviet-Italian relationships flourished." Chervov posed his conditions: Stop the final installation of U.S. cruise missiles in Comiso, Sicily, and take your distance from the United States!

While Zamyatin was here, the Craxi government officially announced that the latest agreement for the Soviet gas pipeline will be signed. At the same time Foreign Minister Giulio Andreotti is preparing to visit the Kremlin; and Prime Minister Bettino Craxi will go to Budapest. Luigi Meanti, one of the top managers of ENI, the Italian state oil company, has been sent to Moscow, and ENI has signed an agreement with Soviet-allied Libya for a supply of 750 million cubic meters of gas, a \$2 million investment.

A new continental lineup against Henry

The Mexican President's trip to four Latin American countries sets the agenda.

Just a week before President Miguel de la Madrid made his first trip to Ibero-America, Mexican political and financial circles were shocked by the announcement by American bankers of a rise in interest rates.

The half percent rise in the U.S. interest rates means that \$300 million more must be sent out of the country during this year. This is the exact amount the Mexican government had recently decided to set aside for internal investments after paying the foreign debt.

In high-level Mexican circles, the decision by Paul Volcker's Federal Reserve was also interpreted as a new Kissinger offensive against Mexico and Latin America, to destroy any kind of integration between Latin American countries, an idea the Mexican president is working on together with other presidents in the Ibero-American countries.

"For us Mexicans, the Bolivarian ideal which asserts that our fatherland is all America, remains alive," declared President de la Madrid March 12, referring to his trip to Colombia, Argentina, Brazil, and Venezuela, starting March 27 (see article, page 31). The same ideas were posed by Colombian and Argentinian foreign ministers in their visits to Mexico City early in March, putting special emphasis on the debt problem and Central America.

But Henry Kissinger is having a fit over de la Madrid's trip. Kissinger's Mexican cronies are spreading the outrageous lie that for the Latin American governments to join forces to re-

negotiate their debt and develop their economies is "anti-American." This is just the background noise to facilitate a plot by the Soviet KGB, aided by Kissinger, to turn all of Ibero-America against the United States.

What is known here as "the Kissinger house organ," the English-language daily called *The News*, acidly wondered: "A united debtors' front against an increasingly worried creditors' community for greater bargaining power regarding interest rates and a wider door to their exports so that some day payment may emerge from the realm of fantasy?" The possibility was not entirely "far out," it continued: Maybe the President should just stick to "seeing how a few other nations might be faring worse than our own."

Next, the mouthpiece in Mexico for the Swiss-based Mont Pelerin Society, *Impacto* magazine, and the small-time Milton Friedman economist of the right-wing private sector, Pérez Stuart, came out with the Kissinger line. Under a fat headline, "Mr. de la Madrid Can Create More Difficult Times by Himself: The Idea Is to Sink the American System on the Eve of the Elections," Mauricio Gómez Mayorga, a notorious pro-Nazi, put out a long article saying that the de la Madrid trip is a senseless, spendthrift junket. Trying to organize a joint debt renegotiation "smells like [former President] López Portillo's frustrated attempt to declare a joint debt moratorium together with Brazil and Argentina. . . . But this is just an idea of trying to sink the U.S. banking system

as the election campaign approaches in the United States."

As a high-level political source told me, the real meaning of the de la Madrid trip is to organize a continental movement against Kissinger. But the only way to succeed in this is by getting rid of the International Monetary Fund, and that means a debtors' cartel, as in Lyndon LaRouche's *Operation Juárez*, he added. And this possibility—the use of the "debt weapon" to create the conditions for Latin America to industrialize—is what has the Kissinger crowd very worried in Mexico.

Showing its colors as a Nazi-communist, not "pro-American," outfit, *The News* came out again March 20 threatening Mexico with the Iran treatment if it lapses in total obedience to the IMF. Commenting on the triumphant speeches made March 18, during celebrations of the anniversary of nationalizing the petroleum industry, the paper declared that Mexicans must remember what happened to the Shah of Iran when he tried to modernize his country. "Rich nations want the crude, not its costly and sophisticated derivatives. A Rand corporation detailed estimate of the situation over the past few years has been cited, saying that our country would 'of its own weight and making fall into the same trap,'" *The News* added.

The same Kissingerites have targeted Mexico's efforts to promote the peace plan of the Contadora group, the consortium of regional powers including Mexico seeking a regional settlement for the Central American strife. *The News* and *Impacto* attacked foreign minister Bernardo Sepúlveda for his recent trip to France and Germany to win support for Contadora, lying that Mexico is just supporting Marxist and guerrilla factions in Central America.

International Intelligence

Pravda hits Reagan on ABM speech anniversary

The Soviet Communist Party daily *Pravda* published an editorial attack on President Reagan March 23, on the first anniversary of the President's speech announcing a new U.S. strategic doctrine based on the development of anti-ballistic missile-defense capabilities.

"On no other occasion, perhaps, are so many hypocritical and pseudo-peaceable words wasted today as in connection with the plans for deploying a large-scale anti-ballistic missile system," *Pravda* stated.

Pravda claimed that U.S. anti-ballistic missile beam weapons would have the sole purpose of protecting the United States from retaliation after a first strike against the Soviet Union. "By continuing to tread the path of preparing for nuclear war on the ground, on the seas, in the air, and, now, in outer space, Washington inevitably places itself in opposition to the fundamental interests of all people and indeed becomes the 'focus of evil' it is so busy trying to locate. . . . [Its] policy is disorganizing international relations, creating crises in the economies of even developed capitalist states, bringing whole continents onto the brink of bankruptcy and confronting the United States itself with insoluble internal problems. And the main thing, this policy is pushing mankind closer and closer to nuclear catastrophe."

Italy's Craxi denounces 'Star Wars'

The recently-issued official program of Italian Prime Minister Bettino Craxi's Socialist Party contains an attack on President Reagan's strategic defense doctrine, under the heading "The Socialist Commitment Against Space Weapons." The document will be presented to the party congress in Verona in May.

The platform states: "Technological progress, often coming in the race toward space, opens the way to more and more alarming prospects. We agree with the So-

cialist International, which asks for a treaty to ban every kind of space weapon. If this is not done in the short run, then the 'Star Wars' thesis will become far more obsessive than that of nuclear war. . . . This perspective would become a reality if the two superpowers, within the span of ten years at most, were each to deploy a satellite umbrella to intercept every kind of nuclear missile launched from the other side into its own territory (or, more probably, launched against the allied European countries). In this case the most important part of the SALT-I treaty, the ABM Treaty which prohibits any kind of anti-missile missile system . . . would fall into disuse."

The platform continues: "Despite the fact that it is not possible to stop technological progress in general, even if it contributes to the building up of more and more catastrophic weapons, we can and must freeze any research aimed at bettering existing weapons systems. We agree on this issue with the Socialist International. . . . Despite the fact that technological progress has opened up apocalyptic prospects, it has also made it possible to better control the arms race. Disarmament is easier to verify now. . . . Peace means détente and détente means disarmament."

LaRouche speaks in Paris on beam defense

Lyndon H. LaRouche, Jr. addressed a conference in Paris March 23 organized by the French organization France et son Armée on the first anniversary of President Reagan's famous speech on ABM defense. The conference was attended by over 200 people, including senior military and diplomatic personnel.

"We must commit ourselves to a good, expensive arms race," LaRouche declared. "We are fighting to save world civilization. . . . This is the significance of beam weapons: They touch on two or three of the most important areas of scientific inquiry and research for the next 50 years. The three areas are the following:

- high-energy controlled plasmas;
- development and application of co-

herent forms of energy, e.g., lasers and particle beams, but not only that;

- biology, although nothing has been done in biology since the time of Louis Pasteur, because biology since then has not been the study of life, but the study of death, desperate tries to reconcile living processes with inorganic chemistry."

Soviet military texts published in France

The first French translations of Soviet Marshal V. D. Sokolovskii's *Military Strategy* (3rd edition, 1968) and Marshal Nikolai Ogarkov's *Always ready to defend the Fatherland* (1982) have appeared on the market in Paris—albeit belatedly—published respectively by the Circle for the Study of Total Strategy (CESTE) and the Foundation for the Study of National Defense. Sokolovskii's book has served as the basic text on Soviet war-fighting doctrine for two decades. Ogarkov is the current Chief of the General Staff, and has written numerous articles on the mobilization of the Soviet economy for a military build-up.

The appearance of the books at this time reflects the heated debate among French military strategists on the future of France's nuclear deterrent, the *force de frappe*, in an era in which the United States and Soviet Union are developing anti-ballistic missile defense.

Le Monde commentator Michel Tatu, reporting on the publication of the texts, points out that "some of Sokolovskii's reflections, i.e., that nuclear weapons don't change the nature of war, which remains 'an instrument of policy', and which, as in the past, must take recourse to the advantage of surprise and to all-out attack, are somewhat embarrassing at a moment when Moscow is encouraging the pacifist movements in the West. One must ask if what Sokolovskii wrote in a period when the Soviet military power was very much inferior to what it is today and very much inferior to that of the United States, reflected their thinking then, is it not even more important today, when they have parity with America, and the SS-20 in Europe?"

Soviets to French CP: leave the government!

The Soviet government newspaper *Izvestia* March 17 ridiculed the chairman of the French Communist Party, George Marchais, for his statement one year ago that the Communists, by joining the government of Socialist Prime Minister François Mitterrand, could tackle problems like rising unemployment and inflation.

"But what does life show?" asked senior commentator Vikentii Matveev. "Unemployment in the country did not go down, but is growing. New mass layoffs are underway."

Matveev indicated the reason for Moscow's dissatisfaction with Mitterrand, attacking the French president for spending money on the arms race "at the price of major national tension." Mitterrand has called for the creation of a European manned space station that would play a defense role in cooperation with U.S. strategic defense capabilities.

Soviet Pugwisher denied visa in Denmark

Dr. Vladimir Pavlichenko, a Soviet participant in the East-West Pugwash disarmament conferences since 1958, has been denied a visa to participate in a Pugwash meeting on "Conventional Forces" in Copenhagen, reported the Danish conservative daily *Berlinske Tidende* March 21. He had previously been denied entry into Canada because of alleged KGB connections.

The Copenhagen meeting was scheduled to discuss what one participant called "a non-provocative defense system . . . a new approach" calling for "less dependence on the United States and ridding Europe of nuclear weapons."

The paper reported that a demonstration took place outside the building of the Pugwash meeting: "A group calling itself the European Labor Party, wearing Halloween masks [it's Halloween in Denmark—ed.], distributed leaflets proposing that the Pug-

wash movement be given the Arne Treholt Award for 1984." Treholt, an official in the Norwegian Foreign Ministry, was recently exposed as an agent of the Soviet KGB and the author of the Socialist International's proposal for a "nuclear-free Europe."

Bangkok meeting charts project for Kra Canal

EIR and the Fusion Energy Foundation (FEF) held a joint seminar in Bangkok March 19 on the prospects for an international project to build a canal through the Isthmus of Kra in Thailand.

Dr. Uwe Parpart, director of Research of the FEF, presented the foundation's recommendations for the construction of a \$10.4 billion two-lane canal. A two-lane canal would be required in view of the rapid expansion of general cargo traffic that can be expected, particularly heading west toward the Indian Ocean and Europe. Financing should be sought from the export-import banks of interested countries including the United States, Japan, and the Federal Republic of Germany.

Dr. Nonthapunthawat, vice president and chief economist of the Bangkok Bank, also addressed the question of financing the project. Thailand's foreign debt is now at \$13 billion, and the canal project and related infrastructure development could be expected to increase the debt by another \$38 billion over ten years. With Thailand's export earning capacity projected at about \$15 billion in ten years, this gives a ratio of 2:2.5 of projected debt burden to export-earning capacity, an acceptable level. Thus he concluded that financing should not present any major obstacle.

The conference was attended by 40 people from Thai military and economic strata and the government, as well as representatives from the Japanese firms Mitsui and Mitsubishi, and the Far Eastern shipping companies Maersk Lines, Evergreen Shipping, and Thaisao. The Fusion Asia International Board was represented by Dr. Svasti Srisuch.

Briefly

● **L.N. TOLKUNOV**, the chief editor of the Soviet government newspaper *Izvestia*, is a KGB major general, according to a Russian defector source. From 1967-1982 the head of the Soviet KGB was Yuri Andropov. The official Soviet biographical description of Tolkunov lists him up to 1965 as having been Andropov's deputy.

● **EAST GERMAN** Defense Minister Heinz Hoffmann arrived in Moscow on March 20 with five of his eight top military deputies. West German commentators are saying that the chief significance of the visit is the fact that the first major delegation from East Germany to the Soviet Union since the death of Soviet President Yuri Andropov is composed of military leaders.

● **HENRY KISSINGER** has written a letter to the editor of *Der Spiegel* magazine, hailing the West German weekly as his own favorite news source. *Der Spiegel* published March 5 a four-page slander against Lyndon LaRouche, which featured a defense of Dr. Kissinger from LaRouche's attacks against him.

● **AN ARMENIAN INSIDER** tells us the fundamental problem of being a Cartesian these days in Moscow. It seems that there is no verb form "I am" in the Russian language as used today, although there are various past and future tense forms that can be used. "No wonder there are so many purges going on in Russia," the insider commented. "I think, therefore I was."

● **THE FOREIGN MINISTERS** of the principal NATO nations are all going to Moscow soon. Giulio Andreotti of Italy will make the trip in April, followed by West Germany's Hans-Dietrich Genscher in May. The next month, it will be Britain's Geoffrey Howe. U.S. Secretary of State George Shultz is slated to meet with Soviet Foreign Minister Andrei Gromyko in early summer to try to organize a Reagan-Chernenko summit.

Kissinger maneuvers to finish off Reagan

by Richard Cohen

Starting several months before the August 1980 Republican National Convention, Soviet agent of influence and former U.S. Secretary of State Henry A. Kissinger and his associates have relentlessly sought to capture White House policy, including the political soul of Ronald Reagan.

Grave policy flaws in the California-based "Reagan team," plus political insecurities exacerbated in election periods, have provided a broad window of opportunity through which Kissinger and his accomplices have successfully maneuvered.

Many of Reagan's closest supporters were revolted when, at the 1980 convention, Reagan and his California intimates led by PR man Michael Deaver openly bargained before a national television audience with Kissinger over the possibility of a "Gerald Ford co-presidency." This display of cowardice and moral ineptitude almost led the already nominated presidential candidate and his opportunist advisers to sell out their new administration. The price Kissinger was demanding in exchange for the unfortunate former president's vote-getting appeal was something these Reagan supporters quickly sought to blot from their memory.

Fortunately, the greedy Kissinger, whom Reagan identified as a virtual traitor during the 1980 presidential campaign, raised the asking price, demanding control over the nomination of almost all key cabinet positions, including his own restoration as secretary of state. On this note, the "co-presidency" talks collapsed.

Yet Kissinger and his co-conspirators inside and outside the Reagan administration moved confidently over the succeeding years, seizing increasing chunks of policy control.

EIR founder Lyndon H. LaRouche, speaking to a nationally televised audience on March 17, explained that he will not waste his time as a Democratic presidential candidate

running against Gary Hart, Walter Mondale, or Ronald Reagan—he is running against Henry Kissinger. If a shock is not delivered soon to Washington and the White House, Soviet agent of influence Kissinger's control over the administration will become unbreakable.

The official Soviet government newspaper *Izvestia* led its "International Observer" column on March 18 by proclaiming that "Henry Kissinger could once again become Secretary of State. With two ifs—if Reagan were re-elected . . . and . . . would offer the post to a man who for a long time was held at a distance and now, it seems, is coming closer to his own person." *Izvestia* proceeded to extol its asset's "unusual mind" and "great energy," in effect endorsing his March 5 *Time* magazine essay pushing the decoupling of Europe from the United States by noting that it shows Kissinger "understands" the fear of Europeans that NATO strategy means nuclear disaster.

The first week of April, Kissinger's Trilateral Commission will hold its annual meeting in Washington. In a slap at his own political base and the anti-Trilateral attack which led him to a crucial victory over George Bush in the 1980 New Hampshire primary, the President has scheduled the Trilateral Commission for a major meeting on April 1 at the White House. Some intelligence sources report that the dramatic weakening of the President may be clinched at that meeting.

The application of physical terror

The escalation of physical threats against the President—threats modeled on the "lone assassin" prototype of would-be Reagan assassin John Hinckley—began when a car tried to ram one of the White House gates. That same night, March 15, a Pennsylvania resident named David Mohansky who

had been on both the FBI and Secret Service lists of potential threats to the President was found parked outside the White House grounds in possession of a sawed-off shotgun; he was later wounded in a shoot-out.

On the weekend of March 17, a youth began shouting in Washington's Union Station that he had a bug implanted in his head that was telling him to kill the President. Then on March 19, a 17-year-old New Jersey youth fired several shots at a U.S. Capitol Police cruiser near Capitol Hill, shooting himself in the head after a brief auto chase. That night a Washington, D.C., woman rammed a White House gate with her car; found in her possession was a copy of *Mein Kampf*.

As of March 19, all White House personnel as well as outsiders must undergo a thorough search before entering White House grounds. The White House is receiving a different message than FBI Director William Webster is giving out (he has been publicly stating that there is no threat of terrorism in the United States), as evidenced in the new procedures. The "lone assassin" threats are compounded by threats from Libya and Iran.

The Meese affair

The President, operating under this heightened security threat, is being counseled by leading White House political advisers to dump his former counselor Edwin Meese. On March 15, Senate Judiciary Committee Chairman Strom Thurmond (R-S.C.) announced under pressure from Democrats on the committee that hearings on Meese's nomination as attorney general would be reopened. Committee staffers had discovered that in 1981 Meese's wife obtained an interest-free loan from long-time Meese associate Edwin Thomas; subsequently, Thomas and his wife got senior government jobs in Washington and California.

Liberal Howard Metzenbaum and other committee Democrats were already pressing Reagan to drop one of his most trusted confidants. By March 19, leading Kissinger-linked Republican senators including Majority Leader Howard Baker and Judiciary Committee member Charles Mathias publicly reported that if a Justice Department investigation of Meese's finances were to lead to the appointment of a special prosecutor, Meese would have to step down. Attorney General William French Smith, operating on the advice of the FBI, decided to start a Justice Department investigation. Following that announcement, staunch Meese supporters including Sen. Alan Simpson (R-Wyo.) reported that a special prosecutor will be necessary if a hint of "cover-up" is to be avoided. By March 20, senior White House sources also pointed to the inevitability of a special prosecutor—the tripwire for Meese's demise.

On March 18, Trilateral Commission board member and syndicated columnist Joseph Kraft, who often speaks for Kissinger, assaulted the Meese nomination and Meese's alleged corruption as another of many gross indiscretions committed by Reagan's friends in the administration.

By March 20 House Democratic Campaign Committee

chairman Rep. Tony Coelho joined Kraft in a call for cleaning out the "sleaze" in the Reagan administration. Coelho announced that the Democratic Party would launch a nationwide campaign including television ads identifying the top 20 senior Reagan administration appointees who have committed these indiscretions. On the same day, presidential candidate Gary Hart launched his own attack on corruption in the Reagan administration, followed shortly by Walter Mondale.

A broad array in both parties is now awaiting White House withdrawal of the Meese nomination as a signal of presidential vulnerability that will give the go-ahead for a broad purge of Reagan intimates. Already Federal Judge Green has ordered the Justice Department to appoint by mid-April a special prosecutor in the case of the previously dormant "Briefinggate" scandal.

Indeed, there are persistent reports that any broad Department of Justice investigation into the Meese affair would have to cover the briefing book caper, since there is an alleged paper trail implicating Meese in the scandal. On March 18, *Washington Post* columnist Bob Woodward insinuated that, though the Meese case does not measure up to a Watergate, the briefing book scandal comes close. Sources predict that, while a full investigation will not touch the President, it will hurt people close to him. Many believe that the key individual is CIA Director and 1980 Reagan-Bush campaign head William Casey. The toll could climb, according to Washington sources, if the Kissinger crowd decides to escalate the "sleaze" stigma by introducing the long-buried "Vicky Morgan tapes."

Back-channel revelations

After the President's agreement to cut his proposed defense budget (see article, page 7), shattered Pentagon planners—reportedly including Secretary Weinberger himself—are said to fear more than the President's readiness to appease his economic blackmailers. Sources close to the Pentagon are concerned about State Department and Kissinger-related back-channel negotiations with Moscow.

The sources report that this concern centers on State Department attempts to sabotage an open airing of massive Soviet arms control violations, plus the State Department's eagerness to send new Soviet Communist Party Chairman Konstantin Chernenko a friendly message by forcing substantial concessions in three peripheral arms negotiation areas (chemical weapons, a threshold ban on warheads, and the MBFR conventional-force reduction talks). In all these areas, plus a reported State Department effort to force a U.S. concession on an anti-satellite weapons ban, war has broken out between the Pentagon and Foggy Bottom.

Sources on Capitol Hill report that Weinberger was behind recent testimony by Assistant Secretary of Defense Richard Perle conducted before the Senate Armed Services Committee; Perle charged that election-year pressures were restraining the administration from not only detailing the range of Soviet arms-control violations, but from responding

in kind to those violations by abandoning arms-control treaty limitations. Perle particularly cited the 1972 Anti-Ballistic Missile treaty.

Mideast: another friend goes down

On March 18 Soviet agent-of-influence Kissinger, appearing on CBS-TV's "Face the Nation," detailed his demands for the next phase of U.S. Middle East policy. His advice on the Middle East: U.S. policy should be aimed at doing nothing between now and at least the presidential elections next November.

Admitting that the Soviet Union and its friends in Syria would be given free rein under these conditions, Kissinger argued that Soviet expansion into the area should not be worrisome since the Soviets would have to remain cautious and restrained in order to avoid descending into a quagmire.

This Neville Chamberlain line of reasoning was identified by George Shultz at a March 20 press conference as U.S. policy. Kissinger and Shultz were shutting the door on an earlier effort launched by Jordan's King Hussein to shock President Reagan into carrying out his now almost completely abandoned peace plan, announced in September 1982. Hussein, echoing the sentiments of Egyptian President Hosni Mubarak, who unsuccessfully tried to deliver the same shock therapy to Reagan in February, told the *New York Times* that U.S. policy in the Mideast has failed because of unwillingness to deal fairly with the Palestinian question and because, following the Lebanon debacle, the United States had lost credibility in the region. Hussein repeated these statements on national television on March 18, reporting his frustration and desperation after months of Reagan administration refusal to budge Israel in order to facilitate Hussein's negotiations with the Yasser Arafat wing of the Palestine Liberation Organization, an essential ingredient if the 1982 Reagan Plan for the Mideast were ever to get off the ground.

Reagan, fixated on the "Jewish vote," nevertheless made a public plea on March 14 before the United Jewish Appeal in New York for the Zionist Lobby to back off from its opposition to the sale of ground-to-air Stinger missiles to Jordan and Saudi Arabia. The President's weak-kneed attempt came too late. With the "Reagan Plan" in a shambles and congressional opposition mounting to the Stinger sales and to the training of a Jordanian task force to spearhead potential intervention into the Persian Gulf (a crucial element of Weinberger's Mideast plan), Hussein saw himself as the next victim of Kissinger and Shultz, after Arafat and the Gemayel government of Lebanon.

On March 21, under near-public lobbying from Shultz to abandon the arms sale to Jordan and Saudi Arabia, the President once again capitulated and announced the cancellation of the Stinger sale.

Central America: a Vietnam environment

In the days leading up to the March 25 El Salvador national election, the beginnings of an "anti-Vietnam War"

atmosphere have been nurtured by significant forces allied with Henry Kissinger. On March 19, a demonstration of 2,000, largely associated with the left-wing Philip Agee-connected Institute for Policy Studies, took to the streets of Washington to protest Reagan's arms sale policy in Central America. That night, CBS national television attacked U.S. arms sales to El Salvador, reporting that U.S. bombers sent to the Salvadoran government have killed civilians in areas controlled by the leftist guerrillas. On March 21, CBS went further, hauling Walter Cronkite out of retirement to assert that the Central Intelligence Agency is behind the death squads in El Salvador and that the leader of these death squads is Roberto D'Aubuisson, possible winner of the upcoming elections.

In the meantime, on March 20 Kissinger intimate Sol Linowitz took to the *New York Times* op-ed page to attack Reagan's Central America policy; on March 21 the *Washington Post* editorially did the same. Despite the appointment of Kissinger as head of the President's Bipartisan Commission on Central America, the administration will be unable to legislatively sustain its Central America aid program which has all but collapsed. One intelligence source in Washington reports that winning congressional approval for arms sales to El Salvador is now the administration's number-one obsession.

The Soviet Union chose the week of March 19 to send its most sophisticated surface naval force into the Caribbean, a force with advanced anti-submarine capability—which helped Kissinger stir up the President's "anti-communist" determination to enmesh the United States in the Central America conflicts. In addition, U.S. intelligence officers are saying that during the first three years of the Reagan administration more Warsaw Pact arms—quantitatively and qualitatively—have gone to Cuba than during the last three years of the Carter administration.

Washington intelligence sources believe that this Soviet deployment and arms transfer policy toward Cuba is aimed at beefing up their anti-submarine warfare capability off the coast of the United States—a policy which could easily enhance their strategic margin of superiority.

If D'Aubuisson wins in El Salvador, Congress will take over U.S. policy-making toward the region. Whoever wins, there will be an escalation of the conflict both in that nation and in the United States, creating a "Vietnam climate" during an election period.

Having no serious policy and succumbing more and more to Kissinger's direct influence, the President is totally vulnerable; trying to muddle through, he is trapped. Within the parameters of his assumptions, which ignore the Jesuit control over most of the "right" and "left" in Central America and fail to appreciate the Soviets' overall drive toward confrontation, he cannot begin to meet the challenge facing the United States. As the crisis hits, Soviet asset Henry Kissinger has positioned himself to be the one to whom the President must turn to "work things out" with Moscow.

Danny Graham: 'Spoon-Bender'

by Lyndon H. LaRouche, Jr.

There is no indication that Lt.-Gen. (ret.) Daniel Graham has been offered the position of chief military adviser to Sen. Gary Hart, although Graham richly deserves the appointment. Apart from standing high in the competition for habitual liar of the year, Graham is a die-hard "spoon-bender."

Back during the 1930s, the late Bertrand Russell established a network within the United States, to the purpose of destroying our republic from within. In addition to numerous accomplices pulled in from Europe for this project, including Aldous Huxley, Russell built up a network inside the U.S.A. around Robert M. Hutchins, then president of Chicago University. After World War II, this crowd, which brought us LSD-25, worked in collaboration with the London Tavistock Institute (Sussex). Palo Alto, California became one of the principal command centers for destroying the United States from within. The Rand Corporation and Stanford Research Institute are two of the most prominent of the Palo Alto conduits conducting such activities. The notoriety of the MK-Ultra drug-and-kook project is an example of this work. Willis Harman of Stanford Research is one of the chief witches continuing the subversive activities of the lately deceased Russell accomplice Gregory Bateson, himself a veteran of MK-Ultra.

This brings us to Danny Graham, Spoon-Bender. There is more than an iota of suspicion that the "high" in "High Frontier" refers to effects of hashish, LSD-25, or cocaine. The magic name is "Esalen."

Lately, the *Baltimore News-American* (Feb. 26, 1984) published an investigative-journalist item on the subject of an association bearing the ominous name of "Lifespring." The Hearst daily reported that this was a nasty cult, and that it had penetrated deeply into our Defense Department and related places. The links are to Esalen and Stanford Research Institute, according to reports. "Lifespring" is a sibling of two other Esalen-type associations, one called "est" and a group calling itself "L-5." L-5 is the context for Danny Graham and, reportedly, also for the authorship of his "High Frontier" Rube-Goldberg scheme. Ominously, there are connections to the Soviet KGB.

Our investigators were put onto the track of this side of

Danny Graham by Graham's weird contribution to the Jan. 29, 1984 issue of the newsweekly *Time* in which Graham warned of a threatened "missile gap" in research into extra-sensory perception (ESP). We have maintained a "kook file" on Stanford Research, Esalen, and related druidic cult matters for years—since approximately 1973; it wasn't long before we had the general picture. Graham's attacks on us began to make sense: Since 1968, there has been no libel campaign against us which did not originate in circles which were either directly Soviet KGB or somehow linked up with the KGB. Graham's "High Frontier" package could benefit no one but the Soviet Empire; his attacks on use of "new physical principles" for ballistic-missile defense (BMD) were also to no one's advantage but the Soviet Empire. Turning up the "L-5" Spoon-Benders' connection to the "High Frontier" proposal helped cause some of the jigsaw puzzle pieces to fall into the right places.

There is more than an iota of suspicion that the 'high' in 'High Frontier' refers to effects of hashish, LSD-25, or cocaine. The magic name is 'Esalen.'

The Spoon-Bender side of Graham dovetails with Graham's repeated public denunciations of scientists. Graham has warned to ignore scientists such as Dr. Edward Teller in assessing military technology.

The following report is a summary of evidence assembled on the broad character of the connections of associations such as Esalen, Lifespring, L-5, and the Stanford Research Institute to our defense establishment. Before coming to that, a few paragraphs on the kind of "science-fiction" kookery used by L-5 are helpful.

Most of this variety of kookery over the ages has based its false appearance of "scientific" on an elementary feature

of Euclidean geometry: the crucial significance of the Golden Section, as partially treated by the last several books of Euclid's *Elements*, the treatment of what are called Plato's Five Platonic Solids. As Karl Gauss, Lejeune Dirichlet, Bernhard Riemann, and others showed conclusively during the 19th century, there is nothing mystical at all in this striking importance of the Golden Section.

The Golden Section is made unmysterious by the following elementary construction in Gaussian geometry.

Construct a cone from a sector of a circle drawn on transparent construction-materials. Construct a self-similar spiral on the outer surface of this cone. Examine the image of this spiral projected upon the circular base of the cone (as by placing a piece of white paper at the base of the cone). Radii drawn from the center of the cone's circular base will intersect the projected spiral in ratios of the Golden Section. A Golden Section is nothing more than the characteristic metrical feature of projections of self-similar conical spirals drawn when projected into the form of images of our visual experience.

One could imagine few more advantageous methods by which the KGB could penetrate the Pentagon than by using Soviet assets to foster such cults.

It is a simple exercise in public-school-level geometry to write out an algebraic expression which describes the growth of a self-similar conical spiral as a generation of a locus. This is the most elementary form of what is familiar to every graduate of a proper high school as a "complex variable": algebraic terms of the form, $a + bi$.

Some people have mystified the i in $a + bi$, by using mystifying, improper terms such as "imaginary numbers." Looking at the self-similar conical spiral, a high-school student, for example, can see readily that the i corresponds to the rotation of the generation of the locus. Rotation is a very real action in our universe; there is nothing "imaginary" about it.

If we construct an enormously tall and narrow cone, from the side view a portion of the cone closely resembles a cylinder. If we project that image onto a piece of paper standing beside the apparent cylinder, the result is approximately an ordinary sine wave. In a well-ordered public-school classroom, the teacher would use these constructions to show that the transcendental numbers π , the logarithmic base e , and trigonometric values, are all nothing more than different ways

of looking at self-similar conic-spiral (or cylindrical) rotation.

In other words, what we "see" as visible space, is a definite kind of projection of a real, physical space, a projected image which is distorted in much the same way the image on the circular base of the cone is a distorted image of the spiral on the outer surface of the cone. Modern physiologists have helped us understand how this distortion occurs, by examining the "structure" of the visual cortex of the human brain. This is not the "final answer," but it is a useful first step, a step which helps to remove the aura of mystery about the matter. Our mental-perceptual apparatus "encodes" the real, physical world, such that our primary mental image of the universe provides the image we naively recognize as "visible," or "Euclidean" space.

The great 19th-century mathematical physicists, most emphatically Karl Gauss and his immediate successors, Dirichlet and Riemann, gave us a rigorous method for decoding the image of space-time. This is called in mathematics, "functions of the complex variable." If one attempts to interpret the mathematical physics of "complex functions" from the standpoint of a deductive-inductive algebra based upon axiomatic arithmetic of the "counting numbers," as Russell and Whitehead did, for example, the subject-matter is made relatively incomprehensible, and the explanations supplied are largely false. If one proceeds properly, from the standpoint of what is called synthetic geometry, "pure geometry" without axioms and postulates, as we have illustrated that approach here, the mind of a public-school student should grasp all of the essentials rather readily.

The trouble begins whenever some scientific illiterate of a "science-fiction" fan, or some miseducated professional, variously either simply mystifies the Golden Section, or plays similarly illiterate tricks with the mathematical terms "imaginary" or "transcendental." To such illiterates, these facets of mathematics and mathematical physics are self-evidently "magical." To our contemporary Spoon-Benders of the "science-fiction fan" varieties, such "magical" numbers in mathematics and mathematical physics serve as "dead-certain" proof of "mysterious powers" to be tapped by the route of "transcendental meditation" or the like.

One could imagine few more advantageous methods by which the Soviet KGB could deeply penetrate the innermost circles of the Pentagon than by using Soviet assets to foster such varieties of cults. For the sake of their yearning to command these "secret powers" the fanatically superstitious dupes will virtually "do anything." Patriotism, and other qualities of reality, vanish; their loyalties are to an imagined super-world of the mystical, like that of Soviet asset Ruhollah Khomeini's poor, sodomized dupes of Soviet Politburo member Geidar Aliyev's Sufi cults.

L-5, Soviet-Nazi-controlled "Flying Saucer Clubs," Esalen, and now possibly Lifespring as well, represent major breakdowns of U.S. counterintelligence.

Mind-control cults, the Soviet KGB, and the friends of Danny Graham

by Ira Liebowitz

According to latest reports in Washington, Gen. Daniel Graham is being pushed by the American Security Council and others as the man who should assume control of the now-forming Pentagon beam-weapons agency, the Office of Strategic Defense. Reagan campaign chief James Baker III is reported to support this move.

If it occurs, such a development should be viewed as further confirmation of Henry Kissinger's consolidation of control over the Reagan administration. Graham's proposal for strategic defense by means of space satellites armed with slow, small conventional rockets—in addition to being obsolete and unworkable for the United States—is explicit in ruling out defense of Europe. It would therefore coincide with Kissinger's recent proposal to “decouple” the United States from its European allies. Graham's appointment would be read accordingly by Europe, and by the Soviet Union.

This danger also has to be viewed in light of Graham's association with a network of cults in the U.S. military and scientific community which are linked to the Soviet Union.

Launching the counterculture

During the pilot stage from 1951 to 1955, the project that launched mass-scale drug usage and associated cults—the counterculture—was laundered into the United States with the assistance of Allen Dulles and sections of the U.S. military by a group of high-level British and Swiss intelligence specialists. An early oversight committee was established for the project, including Dr. Gregory Bateson, Aldous Huxley, Isis priestess Dr. Margaret Mead, and Jean Piaget of Unesco's Geneva-based International Bureau of Education, among others, which met annually at the Princeton Inn in New Jersey to review experimental programs that are probably best known for their CIA code-names: “MK-Ultra, MK-Naomi, MK-Artichoke.” The experiments studied the effects of mind-control techniques in association with drugs including heroin, LSD-25, psilocybin, and synthetic cannabis. Experiments were conducted at 12 U.S. centers, including:

The Addiction Research Center at the Lexington, Kentucky U.S. Public Health Service and Veterans' Administra-

tion (VA) Hospitals under Drs. Harris Isabell, Joel Fort, and Sherman Kieffer; a program at Mt. Sinai Hospital and Columbia University under Dr. Harold A. Abramson; the University of Illinois under Dr. Carl Pfeiffer; Cornell University; the Boston Psychopathic Hospital under Dr. Robert Hyde; and the Palo Alto, California VA Hospital under Gregory Bateson. Proceedings of the Princeton committee's meetings have been published in a five-volume series called *Problems of Consciousness*, edited by Dr. H. A. Abramson.

The experiments “studied” drug addiction, lobotomies, and sensory deprivation combined with LSD. But more important for Bateson, Mead, Huxley, et al., the project developed “group therapy” and what later became known as “humanistic psychology” techniques, for creating religious and psychiatric cults applying techniques of the London Tavistock Psychiatric Institute, the Zürich-centered Jungian psychiatry network, the National Training Labs connected with the National Education Association, and, later, the Washington-based A. K. Rice Institute. One objective of the project's experiments was discovering methods for creating cult formations among ex-addicts, social formations susceptible to mystical and “post-industrial” outlooks.

This project of narco-cultural warfare was escalated stepwise up to the 1964-66 launching of a “cultural paradigm shift” that was signaled by large-scale dumping of mind-altering drugs on U.S. campuses, and the promotion of “rock-drug” music in society at large. The project was heralded at that point as the “sociological phenomenon” of the counterculture and, in Margaret Mead's term, “the generation gap.”

This cultural project has functioned as a “forcing medium” for a set of institutions that have burrowed deeply into the U.S. military and scientific community.

In 1961 the *Journal of Humanistic Psychology* was established to proliferate group-control techniques. The *Journal* was closely linked to the founding that year of the Esalen Institute in Carmel, California, under Stanford University graduate Michael Murphy, and Gregory Bateson—the first large-scale human experimental laboratory. Esalen has been replicated today in literally hundreds of similar Aquarian

centers in U.S. cities, many staffed by "trainees" turned out by Esalen at the rate of about 3,000 annually since 1961.

Leaders of the *Journal* in 1980 included:

Willis Harman, the Sufi-connected director of Stanford Research Institute; Marilyn Ferguson of SRI's "Mind Brain Institute" and the U.S. Army's Delta Force-First Earth Battalion: Dr. Abraham Maslow; Dr. Thomas Szasz; Hazel Henderson of the Center for Alternative Futures of Princeton University; Dr. Warren Bennis of the Tavistock Institute and University of Southern California; and Aldous Huxley.

One of Szasz's and Bateson's collaborators in this network, Stewart Brand, became the publisher of the Ecology-Movement shaping *Co-Evolution Quarterly* with Timothy Leary, as well as the *Whole Earth Catalog*. Brand and Bateson play a role in launching a science fiction and space cult, currently interfaced with Gen. Daniel Graham's High Frontier, the "L-5 Society." (See *EIR*, March 20.)

From its founding, Esalen has been closely linked to Harman's SRI International and to a network of Veterans Administration Hospital brainwashing centers connected to Bateson's Palo Alto VA hospital, from which the California LSD counterculture was launched.

SRI and Esalen's "Psychic Connection"

Following consultations with Rome's Roberto Assagioli and Tavistock's Dr. R. D. Laing, in 1971 Murphy and Esalen co-director James Hickman were brought to Moscow for meetings with Dr. Edwin Naumov and a group of parapsychologists connected to the Moscow branch of the Soviet Academy of Sciences. Esalen subsequently established a "U.S.-Soviet Exchange" program, which has run a heavy East-West traffic of psychic kookery. Hickman and Murphy themselves have made extended visits to the U.S.S.R.

Esalen's contacts in Russia include Vlail P. Kaznacheyev, head of the Novosibirsk, Siberia Academy of Medical Sciences; Joseph Goldin, a "journalist" subordinate; Viktor Inyushin; Alexander Romen, pioneer of "psychic self-regulation" at Kazakh State University; and personnel at numerous institutes in Moscow involved in study of the paranormal. Murphy has also worked closely with the head of the Soviet State Sports Commission, Kuznetsov, and has authored *The Psychic Side of Sports*, dealing with paranormal aspects of sports training.

In the early 1970s, SRI's interface with branches of the U.S. military was activated to conduct so-called research into "ESP, the paranormal, distant viewing" and related kookery to study potential military applications. It served to legitimize kookery which has proliferated in sensitive U.S. military areas.

One such program, for example, involved a \$50,000 contract from the Office of Naval Intelligence for an SRI study to "determine whether psychics could detect remote electromagnetic sources" i.e., track submarines. According

to a critical study on such Pentagon funding, *Mind Wars: The True Story of Secret Government Research into the Military Potential of Psychic Weapons* by Ronald M. McRae, over \$6 million per year has been spent by the Pentagon in such "research."

According to McRae, during the period when Gen. Daniel Graham held leading positions at the Pentagon Defense Intelligence Agency (DIA), "equally astounding, however, were conclusions of a 1972 DIA study, originally classified top secret but released in 1978. Soviet efforts in the field of [psychic] research," the agency predicted, "sooner or later might enable the Russians to do some of the following:

"A. Know the contents of top-secret U.S. documents of our troops and ships, and the locations and nature of our military installations.

"B. Mold the thoughts of key U.S. military and civilian leaders at a distance.

"C. Cause the instant death of any U.S. official at a distance.

"D. Disable, at a distance, U.S. equipment of all types, including spacecraft."

Delta Force and est

One Esalen-SRI subsidiary of concern, wholly operating within the U.S. Army, is the "Delta Force-First Earth Battalion," directed by Frank Burns from the U.S. Army Carlisle Barracks in Pennsylvania, and the Army Research Institute of Alexandria, Virginia. The group was formed in 1976 at the Fort Ord Military Stockade, California, in a project involving Marilyn Ferguson, Werner Erhard, and Dr. Morris Parloff of the National Institute of Mental Health. It traded on the name of the Delta Force secret multiservice military operation under the President's sole control. The Battalion trains personnel in "self-empowerment, self-enrichment" and similar group brainwashing projects. At a Delta Force conference held in March 1983 at the U.S. War College in Washington, participants included a deputy assistant Secretary of the Navy for manpower, a civilian deputy assistant Secretary of Defense (expertise: holistic approaches to development, gender, and race), and numerous command staff personnel.

According to Owen Jacobs of Delta Force, controllers of the command are Marilyn Ferguson and Dr. Elliott Jacks of the Tavistock Institute and Brunell College in London.

The Esalen network also operates unofficial recruiting channels in the military, through private, financially self-sustaining cults spun off as businesses that sell "self-improvement, empowerment," and other group therapy. Two of these channels are est of San Francisco, and Lifespring, based in San Rafael, California.

In 1975 a California Attorney General's fraud investigation led to the closing of a series of companies loosely associated with Esalen and SRI, "Mind Dynamics" and "Holiday

Magick,” of San Rafael, California. Company officials John P. Hanley, Randy Revell, and company employee Werner Erhard had been trained in “group techniques,” “self-awareness,” and so forth at Esalen and SRI.

By 1976 Erhard established his own outfit, est, with assistance of trainers from Scientology, and went on to process well over 100,000, many holding positions in government, business, and the scientific community. In 1976, Erhard, working with Dr. Peter Bourne and Dr. Roy Prosterman of the University of Washington, also established a front organization, the World Hunger Project, which was brought into the Carter White House as the “President’s Commission on World Hunger.”

In 1982 Erhard’s est network was put in touch with the Moscow Academy of Science’s U.S.-Canada Institute by Esalen, and Erhard himself was brought for a year to Moscow for lectures at the Institute by Drs. Yuri Fishevski and Vladimir Savalev. In 1983 est affiliated with the “All Russian Knowledge Society,” another name for Murphy’s psychic networks. In 1983 Fishevski, Savalev and others began travelling to est facilities in the United States.

Lifespring

In the same period, Hanley and Revell founded a sister cult, Lifespring, headquartered in San Rafael, California, which is also estimated to run a U.S. network of over 100,000 and to operate within at least 21 military and scientific facilities and government agencies. These include:

The Washington Defense Advanced Research Projects Agency (DARPA), the Naval Weapons Center, the Airforce Strategic Air Command, the Naval Air Systems Command, the Defense Communications Command, the U.S. Navy Human Resource Management Center in San Diego, the Department of Justice, the House Select Committee on Intelligence, and others.

During an exposé of Lifespring in 1980, broadcast on ABC-TV’s “20/20,” Boston psychiatrist Dr. John Clark was asked if the processes used by Lifespring in training over 300 Airforce personnel at Vandenburg AFB were brainwashing. He answered, “Yes. This process is a very complex one, but they have brought it to a very [high] level of excellence.”

Evidence points to the Defense Department’s research and development program to develop directed-energy beam weapons, as a top target of the Lifespring operation.

According to reports in the Feb. 26 *Baltimore News-American* published by the Hearst chain, the Pentagon’s sensitive Defense Advanced Research Projects Agency (DARPA) is badly compromised by Lifespring. Reported the *News-American*, “a source in DARPA estimated that 25% of the 140-man department has gone through the Lifespring program. ‘It starts from the top down,’ he said.” Dr. Robert Cooper—the current chairman of DARPA who is reported to be a member of Lifespring—is, along with Danny Graham,

currently being pushed as a candidate to assume chairmanship of the Pentagon’s now-forming Beam Weapon Office.

On March 9, Cooper testified at hearings of the Senate Armed Services Committee with Undersecretary of Defense Richard DeLauer and Assistant Secretary Fred Iklé, where all three were attacked by committee members for verbal testimony contradicting the administration’s enthusiastic study of beam weapons, the Fletcher Committee report.

In the *News-American* article Pamela Munter, an Oregon psychologist, is quoted: “Those who have undergone Lifespring training would be vulnerable to leaking information ‘if a hypothetical KGB agent would identify himself as an ex-Lifespring person, because they are taught to bond to one another.’”

Gen. Albion Knight of the High Frontier organization is also connected with a Lifespring network operating at the Lawrence Livermore Laboratories in California, who has followed the Moscow line against beam weapons.

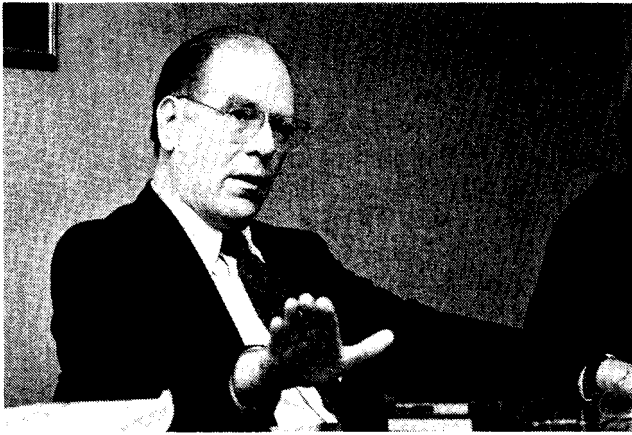
The L-5 Society

In 1975, Princeton’s Dr. Gerard O’Neill established a society to promote the “High Frontier” of space exploration (see *EIR* March 20, 1984). The society’s formation also involved Gregory Bateson and Stewart Brand of the *Co-Evolution Quarterly*, and Timothy Leary, who later joined the L-5 board of directors.

The chief organizer of L-5, Carolyn Henson-Bosma, is also currently associated with Graham and several others at the High Frontier organization in Washington. Her husband, John Bosma, is a consultant and former employee of High Frontier and the Heritage Foundation. Earlier in his career Bosma was a protégé at the University of Washington of Dr. Roy Prosterman, a co-founder of Erhard’s “World Hunger Project.” According to Bosma, he was at that time associated with the Maoist “Anti-Bangor Coalition,” a political group opposed to the building of a Trident submarine base in Bangor, Washington. Bosma is also a former chief congressional aide to Rep. Ken Kramer (R-Colo.).

The Bosmas are currently closely associated with a well-known opponent of U.S. development of space-based defense programs, Carol Rosin of the Institute for Security and Cooperation In Space. Rosin is described as a controller of Robert Bowman, the spokesman of the Union of Concerned Scientists in opposition to the policies of Dr. Edward Teller for a space defensive beam weapons system for the United States.

Through links to Graham, the L-5 network, which includes Timothy Leary, former California governor Jerry Brown, Robert Anton Wilson, and Frank Haig S.J., has established significant power over U.S. space defense policy. Were General Graham to secure control over the Pentagon’s new Office of Space-Related Beam Weapon Defense, the inmates may have gained control of the asylum.



Lyndon H. LaRouche, Jr.

Right to left: A guide to perplexed voters

by Lyndon H. LaRouche, Jr.

In his *Critique of Pure Reason*, Immanuel Kant wrote, that there are some questions, which, if answered, create a spectacle like that of one man attempting to milk a he-goat and a second man waiting to catch the milk in a sieve. Such is the case of the man who tries to answer the question: "Where do you stand politically on the scale of right to left?"

'Progressive conservatism'

Personally, politically, I am a continuation of that current of the original Federalist Party which constituted, later the American Whig Party, and the Whig faction of the Democratic Party. I will tolerate the description, that I am a "progressive conservative." I insist on progress, but I demand that improvement be measured by the Judeo-Christian republican tradition of such exemplars as St. Augustine, Nicolaus of Cusa, Gottfried Leibniz, and Benjamin Franklin.

This means that I am an "anti-radical," in the sense that the work of Jeremy Bentham, James Mill, John Stuart Mill, and so on are the paragons of "British 19th-century liberalism," of just plain "liberalism," and also to the "radical" extremes of such "liberalism," namely the modern "fascist" and "socialist" offspring of Giuseppe Mazzini's 19th-century Young Europe and Young America organizations. In other words, "liberalism," "extreme left," and "extreme right" are each and all essentially varieties of the same evil.

I may be described as a "conservative Democrat," in the sense of "progressive conservative." However, I have no affinity with the "neo-conservatism" of Nazi-SS veterans' "universal fascism," the "consevativism" of such folk as William F. Buckley and other fascists today.

As a progressive conservative, I am broadly in sympathy with the aspirations of all people for the benefits of technological progress. However, I am bitterly opposed to what "Marxists" describe as "materialism." Materialism is another name for bestial hedonism. I am for a high material standard of living for people, but I denounce vigorously, and without room for compromise on this point, the idea that the purpose of individual mortal existence ends with the grave. We live, if we are wise, to make our self-development and the use of those developed powers of durable benefit to humanity more broadly, to present and future generations. To accomplish that, we each require certain material conditions of life; the purpose of consumption lies in the fact that such consumption is necessary to fulfil the higher purposes of our individual lives.

The principle, simply stated, is that society must develop each and every individual to the fullest degree of their potentialities possible, and afford each individual opportunity to contribute good to present and future generations through exercise of those developed potentialities. To accomplish this, we require governments which are themselves governed efficiently by commitment to that simple principle. Such forms of self-government of sovereign nations is republicanism. A republic ruled by aid of elections in which the general adult population may stand for office and may cast its vote, is a democratic republic.

That policy is the proper definition of a "progressive conservative."

What is oligarchism?

The opposite political pole, the direct opposite of republicanism, is called oligarchism. This includes barbarism, it includes "liberalism," it includes the "extreme right," and the "extreme left." Neither I, nor any other republican (progressive conservative), wants any part of any of these varieties of oligarchism.

Oligarchism means a society ordered by a ruling race or religious grouping, in which the ruling race or religious grouping itself is ruled by a collection of powerful families, an oligarchy.

The Soviet Union today is an oligarchical state and society. It is ruled by a ruling bureaucratic caste, like the Persian, Roman, and Byzantine empires before it. It is a "captive-house" of nationalities, and has a pervasive political ideology which corresponds to that political structure.

More generally, all forms of society, and political philosophy, which base the valuation of the person on biological or related criteria, rather than development of creative-mental powers for good, are varieties of oligarchical society.

In U.S. history, the paradigm of republican versus oligarchical is the American patriots of 1766-89 versus the British and American Tories. The proper question would be, therefore, "Where do you stand on the scale of republican to tory?"

LaRouche Democrats win in the primaries

by Molly Kronberg and Pamela Lowry

Election results from the presidential primary States of Illinois and Massachusetts show impressive victories for LaRouche-Democratic candidates in local elections there. The LaRouche candidates were backed by the National Democratic Policy Committee, a political action group founded in 1980 for the purpose of rebuilding the Democratic Party in the wake of the Carter re-election debacle. These LaRouche-slate victories occurred in regions that are traditional Democratic strongholds, adding momentum to the candidates' insurgency against the policies enforced by Charles Manatt and his Democratic National Committee.

Illinois

In DuPage County, Illinois, near Chicago, LaRouche candidates won 29 Democratic committeeman positions out of the 31 they contested. This will give LaRouche supporters control of almost 20% of the elected Democratic Committee seats in the county. The *Chicago Tribune* reacted with a prominent story headlined, "LaRouche Party Victories Chill DuPage Democrats."

In Will County, Illinois, also an outlying area of Chicago, 17 LaRouche Democrats entered the race for Democratic committeeman positions and 15 were victorious. This gives LaRouche Democrats control of about 5% of the elected Democratic Committee positions. Also in Will County, LaRouche Democrat Mary Ann McCardle won outright the Democratic Party's primary nomination for Will County auditor.

There were 15 other victories for Democratic committeeman positions in suburban Chicago, for a total of 59 Democratic committeeman seats. In addition, state representative candidate Stanley Rdzkowski won the Democratic nomination in his Assembly District by running unopposed.

These victories come in an area which has been, over the past four years, the scene of the most intense media slanders against LaRouche candidates in the United States. The reaction of Illinois voters in according these victories to LaRouche-backed candidates despite the almost universally unfavorable, not to say venomous, media coverage is noteworthy.

Votes for LaRouche Democrats in the ten Chicago-area

congressional districts ranged between 12 and 40% of the vote. The total vote for LaRouche Democrats in the congressional and U.S. Senate races was more than 200,000.

Gerald "Laser" Berg won a 40% vote in the two-way Democratic primary race for the Democratic nomination for Congress in Illinois' 4th C.D., which encompasses parts of Will and Cook Counties, even though the Will County Democratic Party Chairman, Kent Bosworth, actively campaigned against him in the media. Berg received his nickname of "Laser" from the press and the voters due to his fierce support of Lyndon LaRouche's call for a National Defense Emergency Mobilization which would feature development of directed-energy laser and particle beam anti-ballistic missile systems.

In Illinois' 10th C.D., which includes parts of Lake and Cook Counties, Mark Adams received 30% of the vote. John Hulbert, State Representative candidate in the Cook County suburbs of Chicago, won 27.5%.

Massachusetts, California, and Florida

In results just released from the Massachusetts primary on March 13, LaRouche Democrats won 27 ward committee seats in the City of Boston. Candidates associated with LaRouche won in 10 out of the 22 wards in which they were running. In one ward, the full nine-person National Democratic Policy Committee slate was elected. In another, five were elected. All these were contested races in which voters rejected the regular Democratic Party slate. Having won 27 out of the approximately 500 ward committee positions, LaRouche Democrats now control approximately 5% of those positions in the City of Boston.

In California, when filing for the offices in question closed on March 9, the NDPC had elected at least 28 Democratic and Republican Central Committee members and a member of the powerful Orange County Board of Education simply by filing for office. There was no opposition in these races. The man elected to the Orange County Board of Education, which controls a \$44 million annual budget, is Jim Johnson, a professional photographer with a prosperous business in Santa Ana, in the heart of conservative Orange County. A member of the Rotary Club and the Christian Businessmen's Association, he was the only candidate to file the required 40 signatures on his petition to run for the vacant First District seat on the Orange County Board of Education. Then the Orange County Democratic Party and local National Education Association (NEA) mounted a drive to qualify a candidate to run against Johnson in a write-in campaign, a task which they have admitted will be "extremely difficult."

In Florida, out of 62 NDPC-backed candidates in the March 13 primaries, 44, or 71%, won their seats, mostly for committeeman and committeewoman in Democratic executive committees throughout the state. Nine won in contested races, one with 73% of the vote; three others polled over 60%.

The Communist Party U.S.A. re-emerges at center of terrorist groupings

by Robert Greenberg

EIR's Investigative Leads specialists have determined that the Communist Party U.S.A. (CPUSA), which has been portrayed by the FBI as a moribund organization, re-emerged over the past year to play a crucial role in the facilitation of terrorist operations in the United States. Since spring 1983, the CPUSA has moved to coalesce international terrorist organizations, targeting the 1984 Los Angeles summer Olympics.

The upgrading of the role of the CPUSA in terrorist operations is part of the Soviet drive to activate its political, ethnic, and terrorist assets worldwide. As in West Germany, where intelligence agency chief Heribert Hellenbroich has identified the Moscow-controlled German Communist Party (DKP) as the source of some \$30 million a year into the peace movement and terrorist circles, the CPUSA plays a central role in logistical support, legal defense, and financing of U.S. terrorist operations.

The Hawi case

In his keynote address to the party's 23rd national convention on Nov. 11, 1983 in Cleveland, Ohio, Harry Winston announced that the CPUSA would mobilize a "united front" of all progressive forces "similar to the one which defeated Nazism in the 1940s, to get rid of the Reagan administration." The convention also featured George Hawi, the general secretary of the Lebanese Communist Party, who began a nationwide tour of the United States with his appearance at the CPUSA convention. Hawi's party represents part of the political coalition that is responsible for the bombing of the French and U.S. military compounds and the continued sniping at U.S. Marines in Lebanon. French intelligence sources consider Hawi one of the most dangerous leaders in the Mideast.

Other speakers at the conference included Gunther Sieber, chairman of the International Department of the Socialist Unity Party of the German Democratic Republic; Stefan Isensee, member of the Socialist Unity Party of West Berlin; Ladislav Novotny of the Communist Party of Czechoslovakia; George Tanev, Central Committee member of the Bulgarian Communist Party; Dimitris Sahinis, Central Committee member of the Communist Party of Bulgaria; and Istan Hars, Central Committee member of the Hungarian Socialist Workers Party.

Hawi was accompanied on his several-week tour by Abdullah Saade, a leader of the neo-Nazi Syrian Socialist National Party. Included were the following stops:

- On Nov. 10-13 he attended the 16th annual convention of the Arab American University Graduates (AAUG) in Washington, D.C. There Hawi met with Sami Albana, the nephew of Abu Nidal who led the terrorist attack by Black September on the 1972 Munich Olympics. Albana presently heads Team International, which intelligence sources say is planning terrorist attacks on the Los Angeles Olympics.

- On Nov. 18, Hawi gave a briefing to the leaders of the U.S. peace movement at a private meeting at the United Nations church in New York City. In attendance were representatives of Clergy and Laity Concerned, the World Council of Churches, the U.S. Peace Council (a CPUSA front group), the Institute for Policy Studies (IPS), the American Friends Service Committee, and SANE. Hawi's mission was to re-target the activities of the anti-nuclear and peace movement on the issue of recalling U.S. troops from Lebanon, and building a movement to protest further U.S. military moves against Soviet asset Syria.

- Hawi also visited Houston, Los Angeles, Chicago, and Philadelphia. From the United States, he immediately traveled to Moscow, where he reported to Communist Party Central Committee member Boris Ponamarev.

Target Olympics

The leading role played by the CPUSA in the terrorist targeting of the Olympics was first outlined at the April 1, 1983 meeting for the re-formation of the CPUSA youth organization, the Young Communist League (YCL). In the keynote speech, CPUSA Central Committee member Angela Davis announced that the YCL would focus on organizing youth gangs to take part in demonstrations against President Reagan at the 1984 Olympics.

The CPUSA has also begun to take over the terrorist Communist Workers Party (CWP). A CWP front group, the Federation for Progress, is planned to lead the official demonstrations scheduled at the Olympics.

The CPUSA takeover of this violent left sectlet began shortly after the deaths of five CWP members in Greensboro, North Carolina, in a November 1979 shootout with the Ku Klux Klan. The CWP received substantial aid from ex-CPU-

SA members Arthur Kinoy and Anne Braden in founding the Greensboro Defense Fund and the National Anti-Klan Network (NAKN). Through this apparatus, the CPUSA became a controlling factor in the CWP as well as over other members of NAKN.

Two years later, the CWP emerged as a central organization in the terrorist underground involved in the Brinks robbery in Nyack, New York. The May 19 Communist Organization and the John Brown Anti-Klan Committee, whose members were prosecuted in the incident, have an overlapping pool of members with the CWP.

In its recent publications, the Maoist CWP announced a rapprochement with the Soviet Union that reflects the realignment of this terrorist operation as part of Moscow's anti-Reagan international movement.

Reflecting a tremendous upgrading, the Nov. 30, 1983 edition of *Worker's Viewpoint* (the CWP newspaper), carried an interview with Georgii Arbatov, chairman of the U.S.A./Canada Institute of Moscow. Arbatov and his institute were sponsors, along with the Washington, D.C., Institute for Policy Studies, of a peace conference held in Minneapolis, Minnesota, in May 1983. Twenty-four high level Soviet officials and KGB agents attended that meeting to plan a strategy against the Reagan administration. Such are the "progressive forces" which the Soviet government newspaper *Izvestia* on March 12 described *EIR* founder Lyndon LaRouche as "totally directed at undermining," in an article characterizing LaRouche as "neo-fascist."

In the spring of 1983, the CWP announced that it would support candidates of other parties for electoral office. The campaign of Mayor Harold Washington of Chicago, according to the statements of CPUSA leaders, involved a massive deployment of party members in the field. Both the CPUSA and CWP are now actively supporting Jesse Jackson.

Hard-core terrorism

Investigations also show that WeatherUnderground leaders of the 1981 Brinks robbery were aided by "ex-members" of the Communist Party from the 1950s. This circle has been reported to include WeatherUnderground founder Kathy Boudin's attorney father Leonard Boudin, a decades-long supporter of the CPUSA.

In 1981, upon arriving in New York City, the fugitive Kathy Boudin "rented" the "vacant" apartment of Lenox Hinds, the current vice-chairman of the National Alliance Against Racist and Political Repression, an organization founded and chaired by CPUSA Central Committee member Angela Davis. Hinds was the former chairman of the National Council of Black Lawyers (NCBL), and was counsel to the Black Panthers and BLA.

Further, Jonathan Lubell, a member of the law firm Cohen, Glickstein, Ostrin, Lurie and Lubell, founded the Straight Ahead Realty Corporation with Mutulu Shakur, the leader of the Brinks robbery, who is now a fugitive. Straight Ahead Realty was the front that purchased a brownstone house in

Harlem that was used by Shakur to house the Black Acupuncture Association of North America. BAANA was a safe-house operation for the Brinks robbery, and was used by BLA leader Joanne Chesimard as a communications center for a national terrorist network.

Lubell's law firm was established by Louis Boudin, Kathy Boudin's uncle, who was a Marxist theoretician in the 1930s and a leader of the communist movement that established the CPUSA. Lubell was a president of the National Lawyers Guild, which has always been dominated by the CPUSA. The NLG has provided the legal apparatus for nearly every terrorist group in the United States.

Since the Brinks robbery, support meetings for the BLA/WeatherUnderground and FALN networks have been held by the May 19th Communist Organization and the John Brown Anti-Klan Committee at the Ukrainian Labor Home in New York City. Sources say the Ukrainian Labor Home is a CPUSA front.

FBI coverup

The FBI has consistently downplayed the CPUSA, categorizing it as "subversive, but not dangerous." This sanction has allowed the CPUSA to run operations against the interests of the United States, especially over the past year. The evidence of the FBI's coverup includes the following "blunders" made by current FBI director William Webster:

- In April 1983, Webster denied Soviet control of the U.S. peace movement, despite the fact that the World Peace Council, a Soviet front organization, controls the U.S. Peace Council, which in turn is chaired by leading CPUSA member Michael Myerson.

- The FBI and State Department were complicit in facilitating the Soviet role in the above-mentioned May 1983 Minneapolis peace conference, despite warnings from several congressmen who undertook an investigation.

It is well known that the IPS, a major interface for the international disarmament movement and terrorist organizations, was founded and is still sustained today through grants by CPUSA activist, the late Samuel Rubin of the Rubin Foundation. Rubin's daughter, Cora Rubin Weiss, is the chairwoman of the Women's International League for Peace and Freedom (WILPF), a key interface between the IPS and CPUSA, run out of the Riverside Church in New York City.

The CPUSA also plays the leading role in legal defense of terrorist operations. Peter Weiss (the husband of Cora Rubin Weiss), was a founding fellow of IPS and is a board member of the Center for Constitutional Rights (CCR) in New York. The CCR, founded by Rubin and is also funded by the Rubin Foundation, is a legal think tank that houses some of the nation's top terrorist lawyers and controllers, including lawyer for the BLA/WeatherUnderground William Kunstler, and former Attorney General Ramsey Clark, a Baader-Meinhof lawyer and Khomeini supporter. Clark is also attorney for Bernard Coard of Grenada.

Dr. K. and organized grime

Were we to believe everything we have been hearing and seeing about Henry Kissinger's health, we would have to conclude that Satan and his legions are preparing adequate chambers in Hell's Ninth Circle for Dr. K's imminent arrival.

In that event, I would step aside and let a new Dante take over my work, to paint the poetic images such a descent would require.

A new Dante would have one overriding problem: How to create a circle of hell appropriate to Kissinger's dossier of crimes. In past columns, *EIR* has detailed most of them, from illicit sexual behavior to promoting assassinations, committing what is tantamount to treason, and inflicting genocide in underdeveloped nations.

But we have not exhausted the case: Henry Kissinger has now emerged publicly as one of the linchpins of what we like to refer to as "organized grime."

Who is behind American Express?

It may embarrass those in the Reagan administration who pulled Dr. K. into the prestigious Foreign Intelligence Advisory Board March 2, but Dr. K's mafia links are suddenly a matter of public record. The unstable former secretary of state has been appointed to the board of directors of American

Express, an international conglomerate that reportedly bankrolls large chunks of international terrorism and mafia activity.

The controlling interest in American Express is held by Syria-Lebanon-born banker Edmond Safra, whom some security experts refer to as "the new Meyer Lansky." Safra owns the fourth largest private banking empire in Switzerland, through the Geneva-based Trade Development Bank, and is also behind New York's shady Republic National Bank.

Israeli investigators have told *EIR* that Safra is "pure mafia," involved in international smuggling and dirty-money activities derived from trade in gold, drugs, and other items. Safra's family traces back to the same Ottoman Empire trader families which are today emerging as the hub of the "Bulgarian Connection." He was trained at Italy's Banca Commerciale Italiana, the mother bank for the organized crime-run Propaganda-2 freemasonic lodge and P-2's Banco Ambrosiano, formerly directed by the murdered banker Roberto Calvi.

Not incidental to this whole story is that publications linked to *EIR* in Europe and the United States have recently been sued over their coverage of the "Bulgarian Connection" and of the control over global narcotics flows by oligarchical interests who set up the drug mafia, including the degenerate Prince Johannes Thurn und Taxis of Regensburg, West Germany (see article, page 12) and the cultist Yvonne Sursock of the Ottoman-Lebanese Sursock family. It would not be surprising to discover that Safra is one of the leading moneybags for these European-Levantine-Venetian family concerns.

The Anti-Defamation League connection

American Express gives Safra and Kissinger access to an astounding array of blackmail activities.

The company's law firm is Sullivan and Cromwell, the firm of the Hitler-backing Anglo-Swiss Dulles family. Safra's takeover of American Express was arranged by New York Wilkie, Farr and Gallagher lawyer Kenneth Bialkin, one of the kingpins of the B'nai B'rith Anti-Defamation League. It has been thanks to Bialkin in large part that the ADL has become linked to the drug mafia.

On March 14, Kissinger was given the "International Statesman of the Year Award" by B'nai B'rith at a meeting in Palm Beach, Florida. In the 1930s, B'nai B'rith prevented Jews in the United States from mounting a boycott against Hitler; we can only imagine what they have up their sleeves for those Jews and others who want to fight drugs and drug-induced insanity today.

In the meantime, Kissinger watchers should consider the following.

In the corridors of power of London, it is known that Kissinger's 1983-84 re-entry into the Reagan administration was in significant part due to the work of one Sir Alfred Sherman, nominal head of the Centre for Policy Studies. A self-imagined mafioso for the British "Establishment," Sherman has his own hooks into drug-trafficking milieux through his enthusiastic backing for Mexico's PAN Party, a party inseparable from the international drug trade.

Security investigators report that Sherman is one cog in a larger wheel of coups and destabilizations planned by mafia-controlling Britons like Lonrho's Tiny Rowlands and Sir Jimmy Goldsmith for the Central American region.

These plans would create new "monkey traps" for Reagan south of the border, as Kissinger designed with his original Central America Commission report. Yet more acts of treason to keep the new Dante's pen busy, especially if the mootings about Dr. K.'s health condition are as reliable as they appear to be.

Elephants and Donkeys

by Richard Cohen

Will Democrats have a brokered convention?

Well-placed sources in the Democratic Party report motion among several key powerbrokers in the party's hierarchy to devise a deadlock for the presidential nomination in July at the party's San Francisco convention.

The miraculous challenge of Sen. Gary Hart to frontrunner Walter Mondale in New Hampshire, the subsequent New England primaries and caucuses, and the Florida results were instigated by Kennedy family operatives who have moved to retain the option of surfacing a draft effort for Teddy after a convention deadlock. Hart is considered essential for stopping a first-ballot Mondale victory.

Other powerful forces in the party are now close to a full commitment to a deadlocked convention with a brokered outcome.

Among those said to be in the thick of the maneuvering are nominal Mondale backer and former party chairman Robert Strauss, who has the backing of Pamela and Averell Harriman and long-time party insider Clark Clifford. Leading Southern conservatives and moderates, including former Florida governor Reuben Askew and Louisiana's Sen. Russell Long, are said to be pushing the Hart candidacy as a means of deadlocking the convention. Others such as Chuck Robb, the Virginia governor and son-in-law of former President Lyndon Johnson, are openly promoting uncommitted slates to the convention. Robb has shown interest in being Hart's running-mate.

Finally, my sources report that a hidden but strong chunk of the AFL-CIO, including the more conservative building trades and the Kennedy-influenced liberal unions, are looking

for a clear sign that someone other than Hart could beat Mondale for the nomination and would then break with federation president Lane Kirkland's support for Mondale.

An array of party 'machines'

A first-ballot victory for the former Vice-President is unlikely. To win on the second or third ballot, is a feat that will, in all likelihood, require the acquiescence of other powerful party forces. Hart, on the other hand, would have to win the nomination on the first ballot. His "anti-labor" positions make it impossible for him to gain from Mondale delegates, while his own support—aside from the radical-liberal wing of the party—and the overlapping Philip Agee renegade wing of the intelligence community—is largely under the control of other machines (Kennedy, Long, and so forth).

Those presently supportive machines have no real interest in a Hart candidacy. The Kennedy group is already creating distance by having one of the Kennedy sisters publicly assail Hart for his attempt to immitate JFK. Finally, Hart carries much baggage. *Time* magazine is reportedly preparing a "sleaze" story detailing Hart's extramarital escapades and his cavorting with actor Warren Beatty.

The majority of the Kennedy machine now backing Hart may accede to a second- or third-ballot Mondale victory if they believe Reagan is unbeatable in November. But if a foreign-policy or economic disaster occurs by the time of the convention, a Kennedy draft is probable. Already a small "Draft Kennedy" movement has begun in Wisconsin under the watchful eye of Kennedy operative and former governor Patrick Lucy, John Anderson's running mate in 1980. And the required Kennedy rehabilitation campaign has already been initiated around a myth that Teddy's prayers by

his mother Rose's deathbed were responsible for her recovery.

Robert Strauss is meanwhile said to be prepared to promote the brokered candidacy of New York Gov. Mario Cuomo. Extremely close to key Italian-American labor leaders of the AFL-CIO, Cuomo is a nominal supporter of Mondale. These forces have set the ground for a major defeat for Mondale in the important April 3 New York primary. Such a blow in a state Mondale is expected to win could be devastating.

Some new cards in the game

The Kennedy-Strauss-Harriman maneuvers and the unlikelihood of a Mondale first-ballot victory are encouraging the growth of an uncommitted caucus, as local "courthouse" and state machines—already surfaced in the South Carolina and Mississippi primaries—sense their chance for real power in a brokered convention. Jesse Jackson is now campaigning on his ability to be the power broker at the convention for the black community; many others will follow.

As the March 20 Boston and Chicago vote results for candidates running on Lyndon LaRouche's platform (see article, page 55) begin to register with Washington powerbrokers and Charles Manatt's Democratic National Committee, the explosive, uncontrolled nature of what might occur in San Francisco will hit. If LaRouche's first primary effort in the April 10 Pennsylvania race even matches the March 20 results of "LaRouche ticket" candidates then everyone banking on being a player in San Francisco will face a new game.

Already the DNC and others have sent out a frantic message to prohibit the certification of LaRouche delegates to the convention. For in the configuration shaping up for July, the LaRouche factor could be decisive.

Senate panel sets funeral for steel

The Senate Labor Subcommittee on Employment, chaired by Sen. Dan Quayle (R-Ind.) held hearings on "The Future of Steel" on March 22. The subcommittee concluded that steel had no future.

The key point of agreement among steel state senators Quayle, his fellow Republicans John Heinz, and Arlen Specter, Commerce Secretary Malcolm Baldrige, and others was the need for "restructuring" the industry in a world of diminished demand. Baldrige stated flatly that U.S. production could not be expected to return to 1970 levels. And Assistant Attorney General J. Paul McGrath complained bitterly that certain companies were "unwilling to divest one ounce of capacity," although the giants were "making great strides in closing plants . . . and getting their wage and work rules under control."

Pennsylvania's senior senator, John Heinz, whined that "failure to develop a comprehensive steel policy could mean 40,000 to 50,000 jobs unnecessarily and tragically lost forever," and that improvements in productivity do not result simply from closing down old plants on an ad hoc basis. . . . Heinz would apparently prefer to see the jobs lost in a less ad hoc way; he called for easier mergers to allow for more efficient restructuring, protectionism for the restructured industry, and a return to "free-market-level" steel prices. He declared that "the most cost-effective course may well be plant closures."

The junior senator from Pennsylvania, Arlen Specter, traveled deep into the irrelevancies of protectionism, demanding that the U.S. foster a policy of "self-help" for the compa-

nies and unions that would give them easier access to the federal courts to pursue anti-dumping and quota regulations.

Quayle criticized the U.S. Eximbank for financing the major development of steel production in the Third World.

ICBM protectors attack beam program

Led by Rep. George Brown (D-Calif.), 14 Democrats and 3 Republicans took to the floor of the House on March 21 to attack the effort to develop directed-energy weapons for strategic defense. Brown said he will introduce a House joint resolution at the end of the month which "calls on the United States to maintain its commitment to the ABM treaty and to refrain from activities which could undermine the treaty."

The "Soviet ICBM protection squad" explicitly stated its desire to maintain the current strategic doctrine of assured vulnerability of the U.S. population to thermonuclear annihilation. "Star Wars" would fundamentally challenge the concept of avoidance of nuclear war by threat of retaliation," Brown said. "I see no credible or compelling reasons to feel confident with changing this strategy."

Brown admitted that "the thought of an orbiting security blanket of laser and particle-beam weapons intercepting incoming missiles is comforting." He concluded, however, that "the abrogation of the ABM Treaty for the pipe-dream of people defense is not worth the risk." He acknowledged the Soviets' own directed energy program and their ABM treaty violations, indicating that he feared a first strike "when they get their own ballistic-

missile defense."

Brown quoted former negotiator Gerard Smith that the "tilt toward a defensive strategy is inconsistent with arms control." Other opponents of the Strategic Defense Initiative thumped on the issue of cost.

Colombia praised on anti-drug efforts

The international fight against narcotics trafficking was the focus of attention on several fronts on Capitol Hill during the week of March 19.

Senator Jesse Helms (R-N.C.) took to the floor of the Senate on March 21 to congratulate the government of Colombia for its seizure of \$1.2 billion of cocaine, the biggest drug bust in history. Helms, the chairman of the Western Hemisphere Subcommittee, said: "Colombia has an aggressive enforcement program, despite the difficulties of a small budget and an ongoing war with the Communist guerrillas. In 1982, Colombia destroyed more marijuana in its enforcement program than the United States did." In an open rebuff to the reported contention by Henry Kissinger that the Colombian government is soft on communists, Helms continues, "Colombia is one of the best examples of a democratic government in South America . . . it has gone to extraordinary lengths to reach conciliation with the communist guerrillas. Yet here we have proof positive of the guerrillas' response: . . . They want to overthrow a freely elected government, and they are doing it by undermining the United States with drug shipments."

Another hearing on Treasury Secretary Donald Regan's effort to divert funds to be used in drug interdiction efforts into his own office's operating

budget was held on March 21 before the Treasury subcommittee of the House Government Affairs Committee.

Subcommittee chairman Glenn English (D-Okla.) rejected out of hand a new Treasury proposal to force the Department of Defense to pick up the part of the air surveillance drug interdiction program which Treasury was to be responsible for. English pointed out that the DOD is already flying all the drug surveillance hours permitted by law, and that the Treasury position was jeopardizing a program put together over a two-year period as a cooperative effort of the Treasury, the DOD, the Office of the Vice-President, and the Congress.

Republicans override Reagan's water veto

The administration's attempt to veto a water-research bill was overturned by an overwhelming vote in the Republican-controlled Senate on March 21.

The administration's budget-cutting mania had reached such extremes that President Reagan had vetoed a relatively small authorization (S.684) which provided federal matching grants for states to carry out water research. Committee chairmen such as Energy's James McClure (Idaho), Banking's Jake Garn (Utah), Labor's Orrin Hatch (Utah), and Appropriations' Mark Hatfield (Ore.), along with other senior Republicans and long-time Reagan supporters, overrode the veto by a vote of 86-12.

Barry Goldwater (R-Ariz.) in supporting the override said: "I do not think the President was well advised on this veto. He is a Westerner; he understands the value of water. I hope that we can override the veto and, at

the same time, inform our President that, while we highly respect him and his judgments, he should remember that his early bringing up was on federal water."

Population control debated on Hill

Late in March, the Senate Foreign Relations Subcommittee on Western Hemisphere Affairs heard from witnesses on March 20 who accused the population-control mafia in the State Department of causing the turmoil in Central America.

Dr. Jacqueline R. Kasun, an economics professor at Humboldt State University in California, said that much of the unrest and economic crisis in the region "now so skillfully exploited by Cuba and the Soviet Union" results from the Agency for International Development's policies.

She argued that AID's genocidal policy of achieving more than 20,000 sterilizations a year—some without witting consent—had provoked real hatred of the United States among the population, and that "one of the first acts of the Sandinista government in Nicaragua was to close the despised AID birth-control clinics and to declare that birth control was to be the private business of citizens." AID is under the State Department.

Kasun singled out the role of the IMF in pushing the genocidal population programs: "It is reported in Mexico that the price which the Mexican government had to pay for IMF assistance. . . was to agree to a vigorous drive for population control.

"The Mexican government is now committed to reducing population growth to 1% per year by the year 2000; . . . AID has stated that the

'sensitivity of the population programs' is so great that it is desirable to use the 'multilateral agencies'—in Mexico's case, apparently, the IMF—as surrogates for AID itself in many cases."

Meanwhile, on March 20, anti-life Rep. James Scheuer (D-N.Y.) held hearings before his Joint Economics Committee Subcommittee on International Trade, Finance and Security Economics on "population and growth."

A panoply of population controllers representing the Population Crisis Committee, the Population Council, AID, and others put forward the time-worn Malthusian argument that excessive population growth is hobbling the economies of Third World nations.

House members push decoupling from Europe

The House Foreign Affairs Committee's subcommittee on Europe and the Mideast held hearings on H.C.R. 172, a resolution demanding that Europe and Japan live up to their defense commitments, introduced by Oxford graduate Rep. Donald Pease (D-Ohio). Pease accused the United States of "acting like patsies" before the Europeans.

Undersecretary of State for European Affairs Richard Burt announced that while "we do not support the proposals [for decoupling blackmail] put forward by Dr. Kissinger [in a March 5 *Time* magazine essay], we do not want to pick a fight." Burt, who had earlier characterized the Kissinger article as "bizarre," meekly declared that "we agree with the general point that Dr. Kissinger was trying to make; his intention is to revitalize the alliance by giving the allies a greater role."

National News

A tale of Demosthenes and Henry Kissinger

The following radio spot was heard in Pennsylvania at the end of March:

"This is Lyndon LaRouche speaking. To understand how Soviet agent of influence Henry A. Kissinger disguises himself as an anti-communist, look for a second at a page from Greek history.

"Demosthenes is famous in the history books for his violent speeches against King Philip of Macedonia but the check stubs prove that Demosthenes was on King Philip's payroll all the while. Philip needed a war with Athens and he paid his spy, Demosthenes, inside Athens to help start it.

"Today, Henry Kissinger is demanding that the United States secretly help to organize a civil war in Mexico, an attack on Argentina from Chile, all in the name of anti-communism. What Kissinger is pushing is what Moscow is planning; as part of its strategic plan for crushing the United States, Moscow is working to organize wars throughout all of Latin America."

Hart boosted by 'mass psychotic wave'

The largest-circulation Social Democratic newspaper in Sweden, *Aftonbladet*, editorialized March 18 that Democratic presidential candidate Gary Hart is a candidate who, like Adolf Hitler, "is borne up by a 'mass psychotic' wave" and "cannot be reached by rational arguments."

What is especially terrifying about Hart's success, *Aftonbladet* declared, is that he appears to be the "victim" in a chain reaction which he cannot himself control. Hart has stumbled upon a way to "hot-wire" the mass psychology of the country, just as "a people in the heart of Europe a little more than 50 years ago fell victim to the suggestive power of a man totally lacking in the prerequisites to bear up his own success."

Aftonbladet added: "We would never compare Gary Hart to that man. But. . ."

Kissinger crony funds Hart's campaign

Democratic presidential candidate Gary Hart's top funder and campaign fund organizer is a man who describes himself as one of Henry Kissinger's closest friends, Marvin Davis, the chairman of Twentieth Century Fox.

In November 1983, Davis sponsored Gary Hart's kickoff for his presidential bid at a Hollywood gala which netted between \$75,000 and \$100,000. Prior to the New Hampshire primary, fully 30% of the \$400,000 Hart had raised was contributed by Hollywood individuals who attended that event, according to Davis's associate Mike Medayov.

Federal Election Commission records show that members of Marvin Davis's family and business partners have contributed at least \$10,000 to Hart's campaign.

Davis's partner at Twentieth Century Fox, financier Marc Rich, recently fled the country to escape prosecution for illegally trading with Iran and violating oil resale laws through a scam involving Charter Oil. Among Rich's and Davis's first acts as the new owners of Fox was the hiring of Henry Kissinger as a board member.

Maryland judge says media can run elections

The media have the right to determine which candidates should be on state election ballots in a presidential campaign, according to a ruling by a federal judge in Maryland March 22.

Judge Kaufman of the federal district court dismissed a complaint filed by lawyers for Democratic presidential candidate Lyndon LaRouche, who challenged the constitutionality of the Maryland statute which permits the Secretary of State to place on the ballot those candidates "generally recognized by the media."

The complaint was filed after Mondale delegate and Maryland Secretary of State

Lorraine Sheehan failed to place LaRouche on the Democratic presidential primary ballot. LaRouche subsequently petitioned to qualify for the May 8 Democratic primary in the state, and will be on the ballot despite the court ruling.

Judge Kaufman ruled that the candidate's First Amendment rights were not sufficiently damaged by the statutory schema to require the court to void the law.

A spokesman for The LaRouche Campaign said the candidate will appeal Judge Kaufman's decision as well as pursuing remedies in Maryland state court.

Thuggery turned out Mondale's Michigan vote

Democratic presidential candidate Walter Mondale's victory in the Michigan caucuses March 17 was the result of a blackmail and thuggery operation run by Lane Kirkland's AFL-CIO, with assistance from operatives of the Anti-Defamation League (ADL), *EIR* has learned.

The AFL-CIO apparatus in the state, dominated by the United Autoworkers (UAW) and UAW official Sam Fishman, who is also an operative of the ADL, rigged the vote from top to bottom, sources report. UAW halls were chosen as caucus meeting places, and laid-off workers were told that they should report to the halls to receive their supplemental unemployment benefit checks—or else. Once they arrived, they were instructed by those handing out the checks—caucus officials—to vote for Mondale.

Mayor Coleman Young of Detroit ran a similar intimidation operation for Mondale in black neighborhoods. The officials in those caucuses were the people who hand out food stamps and other benefits. It was these rigged caucuses that delivered the large Mondale vote.

While no AFL-CIO union has yet broken from the federation's official endorsement of Mondale, there are growing signs of dissension. The Northern California leaders of the International Woodworkers union, for example, have petitioned their national leadership, asking why the union endorsed

Mondale without the support of the membership.

Teamsters President Jackie Presser, whose union reportedly backs Reagan, on March 19 termed the AFL-CIO endorsement of Mondale a "disservice to the working men and women of America."

Treasury denies LaRouche protection

A spokesman for Treasury Secretary Donald Regan reaffirmed March 20 that Secret Service protection will be denied to Democratic presidential candidate Lyndon LaRouche.

John M. Walker Jr., Assistant Secretary of the Treasury for Enforcement and Operations, wrote to The LaRouche Campaign: "It is my duty to inform you, on behalf of the Secretary, that the Advisory Committee and the Secretary have reaffirmed their earlier position that Mr. LaRouche is not a major Presidential candidate. . . . Consequently, the denial of the request for U.S. Secret Service protection on behalf of Mr. LaRouche still stands."

A hearing has been set for April 2 on a motion for a preliminary injunction made by LaRouche's attorneys in his federal lawsuit against Treasury Secretary Regan. By that time, the Treasury Department has been ordered by the court to answer written interrogatories and requests for production of documents, and a deposition will be taken from Assistant Secretary Walker and possibly other Treasury and Advisory Committee officials.

Senate budget-cutters 'endanger U.S. security'

A spokesman for the National Democratic Policy Committee (NDPC) testified before the Senate Defense Appropriations Subcommittee March 20 that the senators demanding defense budget cuts are endangering the military security of the United States.

The Defense Subcommittee, and partic-

ularly its chairman, Sen. Ted Stevens of Alaska, have been among the first congressional Republicans every year to bow to Wall Street's demands for defense cuts.

Blasting the "Europe-bashing" posture of the subcommittee, the NDPC representative demanded that the United States reject not only the doctrine of Mutually Assured Destruction, but also the Kissingerian policy of "flexible response." She called on the Congress to develop and deploy the neutron bomb for the defense of Europe, along with an accelerated deployment of Roland and Patriot missiles, and with the deployment of directed-energy weapons.

The spokesman concluded by denouncing the budget-cutting insanity which threatens U.S. national and economic security: "You can cut defense spending; you can destroy U.S. agriculture; you can cut spending for necessary government support for infrastructure; you can cut whatever and however much you want. But you will have no effect whatsoever on the deficit, because you have not addressed the root problem of the collapse of the U.S. industrial and agricultural base. Only the kind of defense and economic mobilization which we have called for will have any effect."

Schubert sonata gets world premiere

An early sonata in F-sharp minor by classical composer Franz Schubert had its world premiere at New York's Town Hall on March 24. Carlo Levi Minzi, a young Italian virtuoso pianist, discovered the incomplete work and finished it. He did not add new material; the missing parts were the "recapitulation" sections of two of the four movements. What Levi Minzi figured out were the keys in which the composer would have written them.

The sonata was composed in 1817-18, the same period Beethoven was writing his celebrated *Hammerklavier* sonata, and Mr. Minzi finds similarities between the pieces. He played both on an original fortepiano built in Vienna in the 1820s. The concert was put on by the Lafayette Foundation for the Arts & Sciences.

Briefly

● TEAMSTER PRESIDENT

Jackie Presser criticized the February ruling by the U.S. Supreme Court (NLRB v. Bildisco) which gives firms carte blanche to abrogate labor contracts by filing for bankruptcy. The decision "unfortunately gives a blueprint to unscrupulous employers who will utilize the bankruptcy proceedings to destroy collective bargaining agreements," he said. "I fear that this will only cause unrest among working men and women. . . . The high court will one day lament they ever allowed such language to be put on the books."

● TED SORENSEN, Gary Hart's

campaign co-chairman, recently published a book urging the United States to adopt a "government of national unity" in order to impose "painful measures" on the country. In *A Different Kind of Presidency: A Proposal for Breaking the Political Deadlock*, the former special counsel to John F. Kennedy argues that the "bold new initiatives" he says are required will be so "unpopular" with various segments of the electorate that only a "coalition government" would be able to impose them.

● OVER TWO HUNDRED

people demonstrated at the Pennsylvania state capitol in Harrisburg March 17, in support of Lyndon LaRouche's presidential campaign. The demonstrators demanded the immediate implementation of LaRouche's program for re-opening the steel mills and for a 40-hour work week.

● THE LAROUCHE CAMPAIGN

announced March 22 that it has raised over \$1 million in campaign funds so far. The total includes a record \$170,000 raised in the four preceding days to put Lyndon H. LaRouche on television March 26 for a half-hour nationwide broadcast.

● THE NEW YORK TIMES

gloated on the first anniversary of President Reagan's ABM defense speech, that the commitment is now a "go-slow effort" with "limited goals."

Editorial

We told you so. . .

The last role we at *EIR* aspire to play is that of Cassandra—foretellers of an inevitable dismal fate for mankind. Our method is rather to project the consequences of certain policy decisions, including those policy decisions which, immediately applied, could pull mankind out of the deadly crisis which threatens the survival of human civilization.

Faced with the evidence that a certain policy course will lead to genocidal mass murder, bankruptcy, and other disasters, the rational individual and rational institutions will seek new policy courses. We have never argued that the human race operates on rational criteria. Yet as the disastrous consequences of certain policy courses come inexorably to pass, it is to be hoped that the basic instinct for self-preservation as a *human species* will take hold.

But as we look at the vindications of the *EIR*'s projections over the past two years, we must face the fact that not only every leading government in the world, but most individuals, have continued to cling to their illusions—*illusions that have brought us to the very brink of extinction as a human race.*

● **The case of Iran:** From the very beginning of the Khomeini regime, *EIR* presented the evidence that what was coming into being was a new Cambodia, a collection of barbarians which would carry out a *jihad* to spread a New Dark Ages. Under the façade of demanding “human rights” was a program to destroy industrial civilization.

No, our practical-minded opponents said wisely. We can use this regime against the Soviet Union. It may be ugly, but it will ultimately be to our strategic benefit. After all, the Shah was hardly a devotee of human rights.

Now we see the results. Hitler was civilized compared to the mullah butchers, who find no act of mutilation or torture too disgusting to be justified in the Koran. A whole generation is being killed in Iran—and the same program is being prepared for the rest of the “Arab” world. The horrors for which we hung a few Nazis at Nuremberg are multiplied many times. *And the same practical advisers are putting into motion the very same program for nations like the Philippines.*

● **The case of the debt:** *EIR* has warned since 1982 that no matter what butchery or financial chicanery the banking authorities implemented in Ibero-America, there was no way the over \$200 billion dollars worth of debt would be paid. IMF austerity would only accelerate the potential for a default and a crash; hyperinflation might delay a debt blowout, but ultimately the day of reckoning would arrive.

Oh no, our patronizing opponents said. We are in the midst of an economic recovery that will erase this problem. And if not, we can reschedule, and reschedule, the problem away.

Well, look at the results right now. Even the “best behaved” of the Ibero-American debtors, like Mexico, have reached a limit in imposing further austerity on their population. The “debt bomb” is back on the front pages of the press, both in its political dimension, and because, no matter what the treacherous will of certain political leaders, *the debt cannot be paid.*

● **The case of Henry Kissinger:** Perhaps the most devastating evidence of *EIR*'s correct basis of judgment is the current emergence of Henry Kissinger as the “savior” of the Reagan administration. It was the fall of 1982 when *EIR* first took note of Kissinger's resurgence in policy-making. After President Reagan's March 23 announcement of the new strategic doctrine of Mutually Assured Survival, we argued that the crisis was even more urgent. Either all the Kissinger surrogates would have to be kicked out of the administration, and the antiballistic-missile beam-defense program initiated full steam, or Kissinger would take over and destroy the beam initiative.

Oh no, the “insiders” said. Kissinger might be hovering around the administration, but he would never dictate policy. The President and his inner circle are firm.

Now Kissinger is inches away from being Secretary of State. Compromise after compromise has nearly killed the beam program—and U.S. resistance to Soviet aggression.

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- ✓ that Moscow has secret arrangements with Swiss and South African interests to rig the strategic metals market?

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