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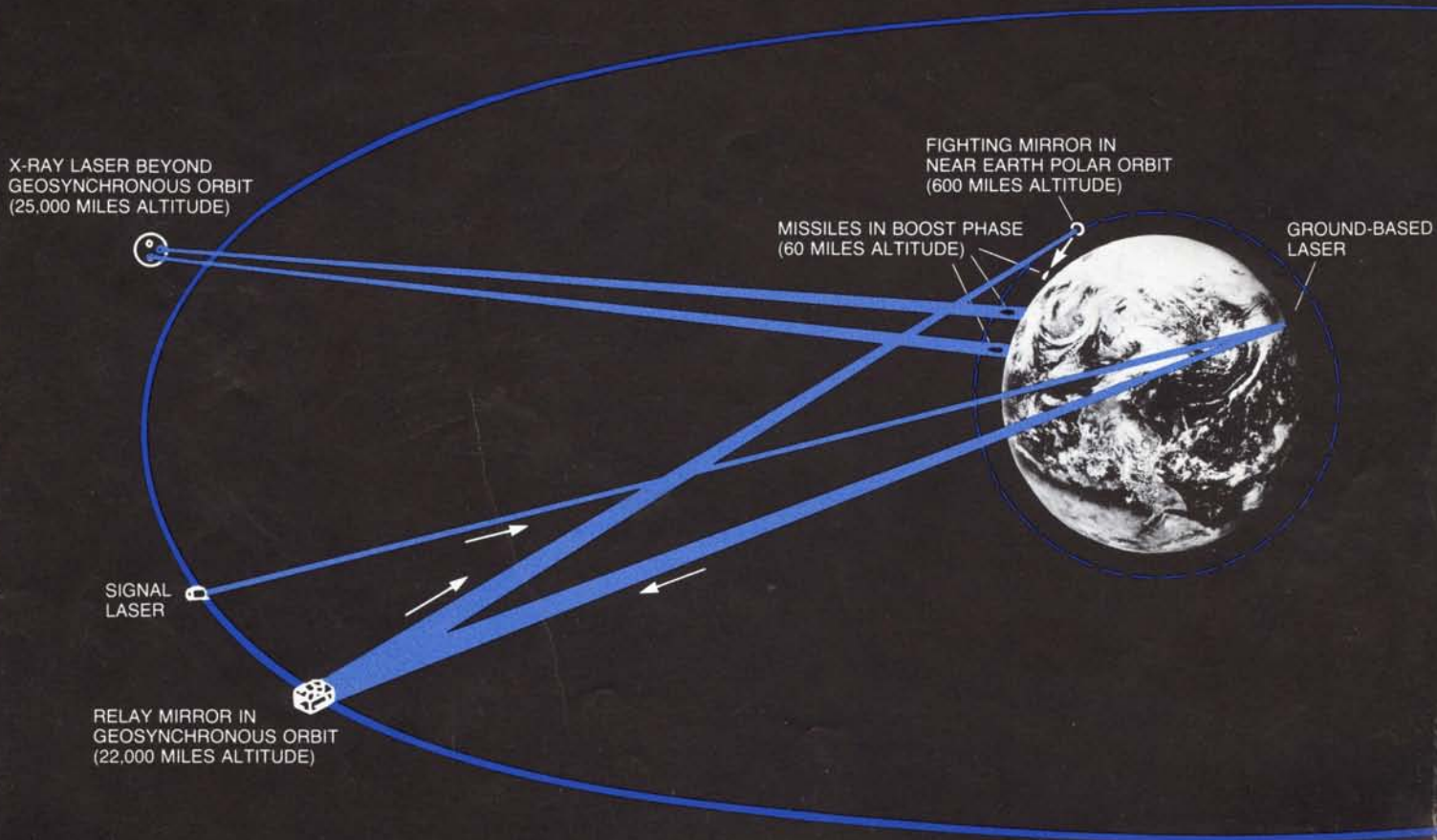
Executive Intelligence Review

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Henry Kissinger's private keynote at IMF meeting
Arms control mafia tightens grip on Reagan
LaRouche says U.S. Mexico policy is 'nuts'

**New anti-missile capabilities
show 'Star Wars' foes are lying**

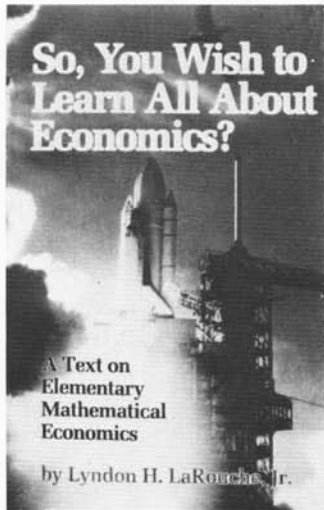


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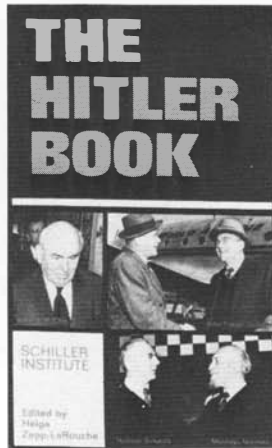
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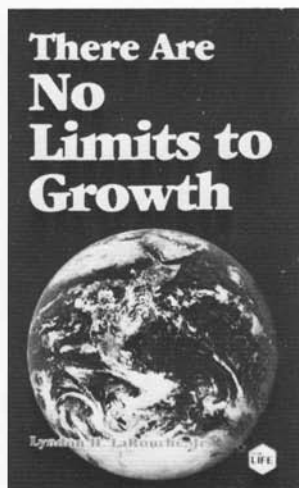
“The man Kissinger hates the most”



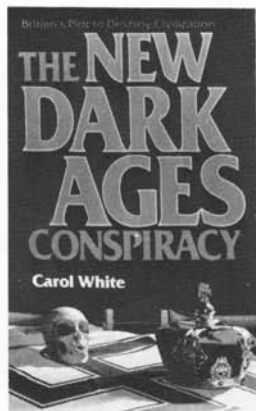
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EIR

From the Managing Editor

Henry Kissinger could not have picked a worse time to step into the limelight with his offers to negotiate away the U.S. "Strategic Defense Initiative" to a so-called Soviet peace offensive.

This week's cover story, edited by the staff of the Fusion Energy Foundation under the supervision of FEF Executive Director Paul Gallagher, draws upon U.S. experts' reports on the progress through mid-1984 in the plan to defend against nuclear attack on land, sea, in the air, and in space. The breakthroughs these scientists are reporting dramatically prove the near-term potential for the whole range of ABM defense capabilities, and debunk the incompetent critiques of beam defense thrown up by the arms-control mafia, and promoted throughout the Liberal Establishment's media.

EIR's chief executive Lyndon LaRouche was on nationwide television the night of Sept. 30 with the twelfth of his half-hour broadcasts this year—this time, two days after the Reagan-Gromyko meeting, with "What Is the Soviet Union?" documenting, in the Russians' own music and images, the hideously backward ideology behind the cult-prophecy that Moscow will become the capital of the "Third and Final Roman Empire."

The broadcast brought to an estimated 50 million American citizens the undiluted truth about not only the Soviet adversary but the oligarchist circles in the West, including the backers of Henry A. Kissinger, who have decided to make a "New Yalta" deal with the Kremlin.

The *Economics* and *National* reports this week analyze what Henry Kissinger's luridly public meeting with Ronald Reagan on the eve of the talks with Gromyko, and his unpublicized, but shocking "private keynote" to the Washington, D.C. International Monetary Fund meeting show about the tightening grip over White House policy of the conspirators of a supranational, one-world government.

In the *International* report, we feature LaRouche's analysis of what this has meant for U.S. policy toward Mexico—where the administration is backing the Nazi-Communist PAN party—and the alternative basis for a policy toward Mexico that would do honor to our nation's republican heritage.

Vin Berg

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The White House has turned economic policy over to the supranationalism of Kissinger and friends, meaning that at some early point, we face political explosion in Ibero-America, uncontrollable capital outflows, and Russian domination of Europe. Economics Editor David Goldman and *EIR*'s Washington Bureau report.

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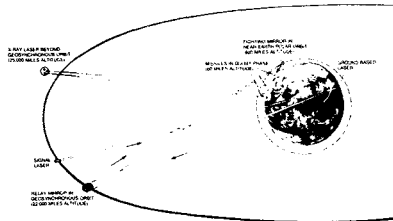
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Shown here are two beam-weapon systems. One consists of a ground-based laser, relay mirror in geosynchronous orbit and a fighting mirror in a near-earth polar orbit. The second is a smaller—less than one yard in diameter—bomb-pumped x-ray laser, which is able to kill 20-30 missiles from a range beyond geosynchronous orbit.

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Henry Kissinger's private keynote at IMF meeting

by David Goldman and *EIR's* Washington Bureau

The Reagan administration's new gray eminence, Henry Kissinger, set forth the contents of the just-concluded Annual Meeting of the International Monetary Fund in a Sept. 24 speech sponsored by Moccata Metals: For the first time since it took office, the White House has turned economic policy over to the supra-nationalism of Kissinger and his friends. Specifically, the Reagan administration's nominal hostility to Kissingerian "global negotiations" went silently under the waves a week before the world's finance ministers and bankers gathered in Washington on Sept. 22. The result was an "American proposal" for a super-meeting of the IMF's steering group, the Interim Committee, next April.

One senior U.S. official said grimly: "Don Regan was against this on the public record until a week ago, and his mind got changed for him. He may think this will bring the problem under control. But he may find that he has opened Pandora's box."

One year ago, *EIR* argued that the principal victim of the IMF's plan for global austerity would be the United States, which blindly led the charge for IMF takeover of the economies of developing-sector debtor nations. The brutal measures which Secretary Regan last year demanded are in force, and, for the moment, the largest of the debtors have been able to meet their interest payments, mainly from trade surpluses.

However, since the trade surpluses of the developing sector have been absorbed by the United States, and the United States has been able to afford to buy such surpluses only because of massive capital flows into the United States, the entire fools' paradise will dissolve over the coming months. The International Monetary Fund's Annual Report, discussed in this space last issue, bluntly warned that these

capital flows could not continue to finance the United States indefinitely. The collapse of the capital inflows into the United States, and correspondingly sharp declines in import-based consumption, will ruin the developing nations' ability to pay their interest—by exporting everything in their economies that is not tied down.

On the contrary, the IMF now demands that the United States undergo the same austerity measures that have ruined the economies of Ibero-America, despite the nonsense about incipient recovery preached from the IMF's pulpit. Since the United States has employed blackmail and destabilization to put the debtors in line, including the U.S. embassy's open support for the insurrectionary PAN neo-Nazis in Mexico, Ibero-America is on the verge of a political explosion.

The same Henry Kissinger who now demands that the United States undergo the austerity treatment thus far accepted by the debtors also proposes to remove American troops from Western Europe—giving the Soviets the remnants of our NATO allies—in order to free U.S. forces to combat insurrections in Ibero-America. This principal point of Kissingerian strategy must be kept in mind when reading Kissinger's words on Sept. 24:

"In recent years, those charged with international monetary arrangements have tried to establish the IMF as the global disciplinary force. . . . The U.S. and other major industrial democracies have been unwilling to modify their policies in response to IMF criticism. In fact, the U.S. has been tacitly conceded a dominant role for the dollar and a disproportionate autonomy for its decisions. . . . In these circumstances the economic system operates—if at all—as crisis management. The risk is, of course, that some day crisis management may be inadequate.

"The [exchange rate] problem becomes more acute because we have the strength to impose our views—at least for a while. The dominance of the American economy explains why, no matter what the value of the dollar, we are criticized for its allegedly harmful impact on the world economy. . . . The strength of the American economy is such that, whatever the value of the dollar, the United States can take away with one hand what it gives with the other. Today the growth in imports which is the consequence of a high dollar is balanced by higher debt-service costs and lower commodity prices for the developing countries. Tomorrow a sharp and sustained drop in the value of the dollar could produce—as it did in the seventies—major disruptive effects on international trade and finance. The policy question—unanswerable in the abstract—is whether a desirable one-time drop in the dollar is conceivable. Or whether once the dollar starts weakening it will be difficult to re-establish confidence. In economics as in other fields the gods sometimes punish humanity by fulfilling its wishes too completely."

The reckoning of which Kissinger speaks will occur, in all probability, in the same time frame as the April special sitting of the IMF Interim Committee, at which point the United States will face the combined crises of political explosion in Ibero-America, uncontrollable capital outflows, and Russian domination of Western Europe. IMF managing director Jacques De Larosière will gleefully treat Donald Regan with the same eleemosynary contempt reserved for such petitioners to the IMF as Argentina's finance minister, Bernardo Grinspun.

In a press conference following the IMF Interim Committee meeting last Saturday, De Larosière made it clear that he was the intellectual author of the proposal for a mega-Interim Committee meeting, which Secretary Regan announced at the IMF's Interim Committee meeting Sept. 22. That meeting will kick off a reworking of the IMF, World Bank, the General Agreement on Trade and Tariffs (GATT), and other Bretton Woods institutions into a larger more powerful police agency for the world economy, including policing the U.S. economy, as prescribed in detail by Kissinger in the cited address (see Documentation).

The objective regarding the debtor nations is simple: While the International Monetary Fund dictates economic policy, GATT will force the elimination of trade barriers which protect the industrialization of developing nations, and force them to sell off what assets the creditors please to buy at rock-bottom prices. De Larosière, World Bank President A. W. Clausen, and Secretary Regan spelled out these demands with great clarity.

In response to a question, De Larosière claimed that the debt problem has substantially improved because the IMF solution is a "simple one. . . . [it] looks at the causes of the problem of indebtedness [in a] medium-term framework."

Outlining the IMF's plans to consolidate control during the coming financial crisis, De Larosière mused to the press, "The way I see it is that what is being called for is a reflection

on the medium-term aspects of world financial conditions which are intimately linked to trade questions, growth questions, capital movements, openness of capital markets, direct investments, equity versus debt.

"It does not mean that we have abandoned the case by case approach. . . . It means that there is a search for putting these problems within an intellectual framework that brings these different elements together in order to have a coherent

"The brutal measures which Secretary Regan last year demanded are in force, and, for the moment, the largest of the debtors have been able to meet their interest payments, mainly from trade surpluses. However, since the trade surpluses of the developing sector have been absorbed by the United States only because of massive capital flows into the United States which must soon end, the entire fools' paradise will dissolve over the coming months."

view of the whole matter. The Fund can help in that and the World Bank can help too."

As De Larosière and Kissinger made clear in their respective speeches, the International Monetary Fund apparatus shall now include GATT, and the rest of the postwar economic and financial institutions, making the IMF a true instrument of world government.

Playing into the Reagan administration fantasy of economic recovery, De Larosière told the Sept. 24 Plenary Session of the Annual Meeting that 1984 was the best year for economic growth in the industrial countries in at least eight years, with other factors doing even better—all due to the successful policies of the United States.

Predictions over the past two years that the debt crisis would lead to an international economic collapse were wrong, he said.

De LaRosière then made his real point: "There are difficult challenges to be met in broadening the basis and making it more durable. . . . In Europe, growth has not made a dent in the unemployment problem. In the United States . . .

determined action to reduce the budget deficit is essential.”

The big problem remaining in the world is high interest rates and “the way to achieve lower interest rates” is “through a fiscal policy that reduces the share of savings absorbed by the public sector . . . bring down fiscal deficits and curb the growth of public expenditures. . . . It is therefore of the utmost importance that adequate restraint be exercised over government expenditures.”

Other than cutting the defense budget, the United States must also destroy its skilled workforce. So says De Larosière: “Encourage labor mobility and retraining, eliminate indexation provisions in contracts, reduce artificial supports for declining industries, [and introduce] reform of wage bargaining arrangements. To the extent that these countries can exploit the opportunities of new industries and technologies, the pressure to cling to the false security of old ones will be reduced.”

‘Compensatory financing’

According to senior officials of several industrial nations, including the United States, one priority item on the April agenda will be the creation of a “compensatory financing facility” at the International Monetary Fund to help the big debtor nations cope with higher interest rates. The “interest-rate facility” was a principal demand of the Ibero-American debtor nations gathered at Mar del Plata on Sept. 13 and 14.

Under IMF direction, Brazil has produced a \$13 billion trade surplus and Mexico a \$15 billion trade surplus, through brutal import restrictions and cannibalization of their internal economies. The much-discussed “rescheduling” agreements which the two countries signed with their banking creditors during the past two months mean nothing in economic terms since they add no current cash flow. The availability of additional IMF funds has become the incentive required to keep the biggest debtors in the game, at least for the time being.

In its poker game with the debtors, the IMF has been able to reduce its own rate of lending to only 5 billion Special Drawing Rights (about \$5 billion) this year, against \$11 billion the year before, leaving its own liquidity position stronger than it has been for years. Managing Director De Larosière told the meeting that he sees no requirement for additional special funding. These additional IMF resources, U.S. government sources say, are available to fund the “compensatory financing” facility.

Buying out the Third World

Don Regan took the lead in pushing the wholesale buy-out of the so-called Third World—resurrecting the Kissinger dream of a 19th-century colonial world order. Regan told the joint IMF-World Bank Development Committee, “As part of this effort, we as finance ministers should promote greater levels of foreign direct investment . . . and should consider new innovations to help developing countries achieve this

goal. . . . Foreign direct investment has been severely underutilized.

“Direct investment can improve a country’s foreign exchange position. . . . Unlike debt financing, equity investment does not carry a debt service burden. . . . Foreign exchange shortages, and heavy debt-service burdens, are reduced. . . . Had a better ratio of foreign direct investment to debt been utilized in the last decade, many of today’s heavily burdened debtors could have improved their overall economic performance.

“We would like to see an increased conversion of existing foreign indebtedness into foreign direct investment [to] reduce the heavy debt-service burden.

World Bank President A.W. Clausen addressed the opening session of the Annual Meeting to outline the devastation created by the IMF/World Bank managed debt crisis—devastation which he “predicted” would continue no matter what the future shape of the world economy.

Clausen told the crowd of bankers: “Rapid population growth in many nations, if unchecked, and poverty will reinforce each other far into the future.”

Clausen predicted that in the decade ahead for most developing countries “it is almost certain to be worse.” He added that under World Bank programs, “there are wide differences in prospects between different groups of developing countries and . . . starker differences are likely to emerge. Commercial bank lending to the Third World . . . might fall by as much as 40 or 50%. Per capita consumption in some of the heavily indebted countries will not regain the levels enjoyed in the seventies”

Regarding sub-Saharan Africa, Clausen took credit for an “action” program which promises to shut down all major industrial and infrastructure projects in Africa—while simultaneously discouraging all private bank loans to these countries.

Reagan: no industrialization

President Reagan told the developing countries to cut their budgets and to give up on industrialization, if they want to enjoy the same “dramatic changes” that the U.S. economy has achieved during his administration. Addressing the world’s finance ministers at the International Monetary Fund meeting in Washington, Reagan said that “governments can best spark economic growth by spending less and cutting tax rates, not by planning an elaborate industrial policy.”

Adopting Henry Kissinger’s economic prescriptions, just as he has adopted his strategic nostrums, Reagan told the developing countries that they have to open their economies to looting by adopting debt-for-equity schemes. “It has become clear that a variety of capital inflows in the developing sectors will be necessary,” he said. “Countries will have to rely less on external debt and more on private investments—both foreign and domestic,” he said, and to attract those

investments, they are going to have to provide “positive real interest rates; a realistic exchange rate; free convertibility of currency, and a respect for property rights.”

The President also told the IMF delegates to stop complaining about the United States’ high interest rates, since the developing countries are receiving “far greater benefits from renewed economic growth and open market policies in the United States.” What they should do instead, he said, is join the United States in fighting for “more open markets.” Reagan praised the IMF and its twin, the World Bank, as being “two great institutions” that have made “enormous contributions to individual freedoms, prosperity, and initiative.”

Documentation

Kissinger attacks the nation-state

The following is excerpted from Henry A. Kissinger’s speech, “The International Economic and World Order,” a Mottola Lecture, Sept. 24, 1984, in Washington, D.C.

My preoccupation is with international order: What makes an international system function, the causes of its dislocation, and the possible remedies. My theme here is that the political and economic global systems are no longer congruent. As a result, a number of countries sufficient to upset the equilibrium lack a consistent domestic discipline and pursue incompatible policies, and the global economic system seems incapable of generating—indeed it does not even attempt—a coherent strategy for overall growth. . . .

The growing political nationalism runs counter to the dominant economic trends of this century. For the first time in history, the world economy has become truly international. No geographic region is excluded from international commerce; each, with the possible exception of Africa, contains some major actor. But none is strong enough to impose its design. They compete through national decisions while being simultaneously linked by global markets. Not even the sharp political differences between the Soviet bloc and the West have proved an obstacle to these dominant trends. A conservative American administration has avidly encouraged Soviet grain purchases. Many European industrialists pursue in the less developed economies of the Soviet bloc the opportunity or the mirage—depending on one’s point of view—of a market sheltered from Japanese and U.S. competition.

The incongruity between the internationalization of the world economy and the dogged strengthening of national

autonomy in economic decision-making is the deepest cause of the gyrations of markets and exchange rates. . . . A case in point is the unilateral decision by the United States in 1971 to suspend the convertibility of the dollar and to impose a 10% (imports) surcharge. The effect was to overthrow the Bretton Woods arrangement affecting all countries—without prior consultation or notice to anyone. Comparable unilateralism has marked the Japanese restrictions on foreign investment and Europe’s management of agricultural policy.

We live with the paradox of a global economy which lacks a system for setting agreed long-range goals. . . .

The U.S. and other major industrial democracies have been unwilling to modify their policies in response to IMF criticism. In fact the U.S. has been tacitly conceded a dominant role for the dollar and a disproportionate autonomy for its decisions. IMF discipline has in practice been applied primarily to those countries in economic trouble; most recently to developing countries facing a mounting burden of international debt. . . . The dominance of the United States in economic affairs, the imperfections of financial markets, and the ability of countries to delay remedial adjustment through borrowing has meant that the market can be ignored at least for a while. To be sure, the ultimate reckoning is all the more severe. But the temptation of governments to delay the bitter medicine of reform of economic policies—usually involving some contraction of non-affordable expenditures—beyond their electoral period tends to be irresistible.

Kissinger’s ukases

On Trade: . . . GATT must be revamped to bring it closer to the ideals of the International Trade Organization which was proposed by Bretton Woods but proved stillborn. It should be given greater authority to act against restraints on trade and investment as well as predatory trade practices. The newly industrialized nations, like Brazil or Mexico, should be drawn into more active participation.

On exchange rates: The [exchange rate] problem becomes more acute because we have the strength to impose our views—at least for a while. The dominance of the American economy explains why, no matter what the value of the dollar, we are criticized for its allegedly harmful impact on the world economy. . . . The strength of the American economy is such that whatever the value of the dollar, the United States can take away with one hand what it gives with the other. Today, the growth in imports, which is the consequence of a high dollar, is balanced by higher debt service costs and lower commodity prices for the developing countries. Tomorrow a sharp and sustained drop in the value of the dollar could produce—as it did in the seventies—major disruptive effects on international trade and finance. The policy question—unanswerable in the abstract—is whether a desirable one-time drop in the dollar is conceivable. Or

whether once the dollar starts weakening it will be difficult to reestablish confidence. In economics as in other fields, the gods sometimes punish humanity by fulfilling its wishes too completely.

On debt: . . . The governments of the industrial democracies have stood aloof from a process which will determine the future of North-South relations and the stability of the international system for a long time to come. This ostrich-like policy has come to the end of its possibilities.

. . . Sooner rather than later the terms of reference of the debt debate must be changed. The current ad hoc debt strategy led by private institutions and the IMF has given both creditors and debtors some much needed breathing space. The time should be used to change the framework of the dialogue.

. . . The challenge is to recognize that the developing countries cannot grow without considerable access to foreign savings in a world which seems less and less prepared to invest in developing countries. . . . Long-term development finance, which is what most of the highly indebted countries need today, involves a major governmental responsibility—however unpopular such a view is in most industrial democracies, including our own. The economic cost of such a program would be minor compared to the consequences of a global financial and political crisis.

Reagan's IMF address

The following is excerpted from President Reagan's address to the International Monetary Fund and World Bank joint annual meeting Sept. 24 in Washington:

. . . Your quest to improve the condition of humankind, to offer opportunities for fulfillment in our individual lives and the life of our national and world communities, places you in a position of responsibility and leadership second to none. You are true missionaries for a more prosperous world and a more peaceful world. . . .

. . . Rewarding hard work and risk-taking has given birth to an American renaissance. Born in the safe harbor of freedom, economic growth gathered force and rolled out in a rising tide that has reached distant shores. . . .

And as we continue moving forward we're heartened to see that recovery abroad is gaining momentum. Growth of well over 3% is being projected for other industrial countries in 1984 and 1985. And we're seeing a rise in developing-country growth rates, led by those aggressively pursuing outward-looking and market-oriented policies.

This broadening economic growth has had a significant impact on stimulating world trade. Your 1984 IMF Annual Report pointed out, 'With the progress of economic recovery in the industrial countries, the volume of world trade began

to expand quite strongly in 1983, and the prolonged deterioration in the terms of trade of non-oil developing countries came to an end.' "

Only last week, I reaffirmed the U.S. commitment to an open world trading system by rejecting protectionist quota and tariff relief for the steel industry. . . .

But we're not just fighting protectionism, we want to go forward toward more open markets. . . . Support with us a new, expanded round of trade liberalization. . . .

As we go forward, we will support our two great institutions, the I.M.F. and World Bank, which have been the cornerstones of the international economic and monetary systems. . . .

Our sensible five-part debt strategy, endorsed at Williamsburg and strengthened in London, has shown itself to be sufficiently flexible and dynamic to meet the diverse needs debtor nations. . . .

[On] the particularly severe economic problems besetting sub-Saharan Africa. The bank issued the third in a series of excellent reports on this subject, and we look forward to working with the bank, the fund, other donors, and African countries, in developing a joint response.

The World Bank's African report

Above, President Reagan stupidly praised a blatant example of the oligarchic bankers' policy toward the world's "developing" peoples: the World Bank's "action program" entitled, "Toward Sustained Development in Sub-Saharan Africa."

World Bank Senior Vice-President of Operations Stern told a press conference that most of Africa will sink into "a political, social, and economic nightmare by the end of the century"—unless development projects are dropped! Backwardness is to be preserved through "better use of existing facilities and grass-roots work."

Stern admitted: "The average African today is worse off than in 1970. . . . If present trends continue, in 10 or 15 years they'll be worse off than at the time of independence in the 1950s."

The World Bank urges "donor countries to abandon preferences emerging from their own commercial interests, or from a view that is no longer relevant to development priorities in Africa—for example, a preference for large infrastructure and industrial projects. . . ." Money will go only into "basic" health care, birth control, "realistic" exchange rates, and existing facilities, rather than new projects.

Stern specifically discouraged commercial bank lending in Africa, saying that "commercial bank lending should be quite severely limited." Equity investment is approved, but countries have to undertake legal and other reforms to facilitate private-sector investments.

"This report emphasizes that additional external assistance is not . . . the solution for Africa's problems: getting

better value from both internal and external resources has to be the primary focus of attention.

In response to a question from a Ghana journalist that the IMF and World Bank were not in a dialogue but a monologue with African countries, Stern praised Ghana for its "major program of structural change," i.e., a "massive [currency] devaluation" and measures "eliminating distortions in price structure" with respect to commodities such as cocoa.

Stern then attacked the building of "too many hotels, conference centers . . . airports, steel mills, refineries. . . . These countries accepted projects not in line with their level of development. . . ."

Basic health care was on the approved list, but: "Look at hospitals, they weren't built with evil intent but hospitals can absorb one half the budget of a health ministry while there is a lack of clinics for rural areas. . . ."

Stern indicated that in coordinating bilateral aid to the continent it was no longer acceptable for a country to say "we'll let you know which programs you can finance'. . . . We have to look at the entire development strategy."

De Larosière's press conference

At the Saturday night press conference of the Interim Committee of the Board of Governors of the International Monetary Fund, managing-director Jacques De Larosière was asked by an *EIR* correspondent: "With your emphasis on the need to 'improve the structure of government budgets primarily through reduced spending,' and your continued demand for a drop in the value of the dollar, aren't you really trying to blackmail the United States into budget cuts, particularly cuts in defense spending?"

"And, what has been the U.S. response to this blackmail?"

De Larosière, in an icy-cool voice, explained that this was clearly referring to paragraph 2 of the joint meeting's communiqué, which was "nothing but classical economics." This paragraph, said De Larosière, explained clearly that it was necessary "to improve the structure of government budgets and reduce deficits, primarily through reduced spending.' This is conventional wisdom and it applies to all countries."

EIR: Can I get any comment on what the U.S. response and discussion was to that?

De Larosière: The U.S. agreed fully on that sentence.

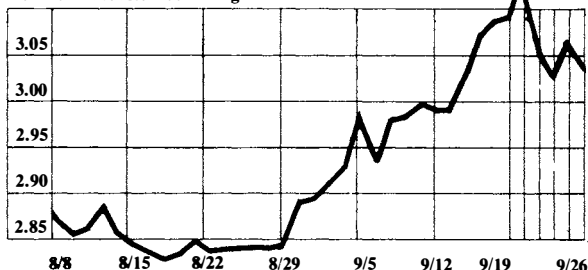
At that point, the lights in the press room went out, and the assembled press corps, caught in the dark and silence after De Larosière's declaration on U.S. agreement, broke into hysterical laughter. In the midst of the laughter, the *EIR* correspondent asked, "Can I have an American confirm that?"

The assembled press responded with more laughter, and someone, who may have been the Belgian finance minister, said, "Now you know [the American response]: The lights went off."

Currency Rates

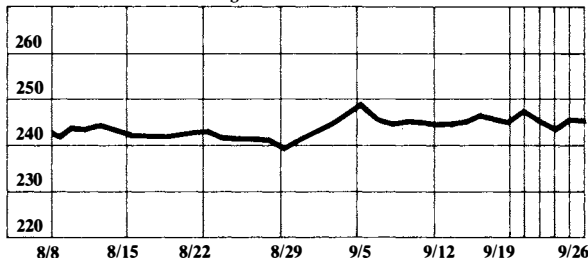
The dollar in deutschmarks

New York late afternoon fixing



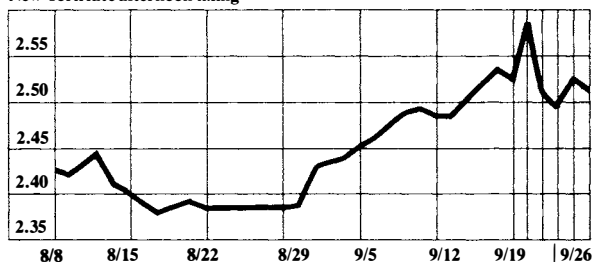
The dollar in yen

New York late afternoon fixing



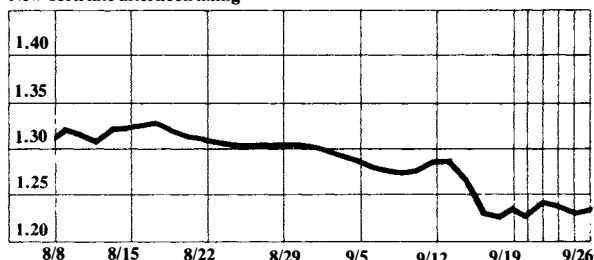
The dollar in Swiss francs

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing



North-South standoff on debt crisis at United Nations General Assembly

by Valerie Rush

Warnings of "confrontation" on a global scale, of "deterioration in world relations," and of "patience running out" have echoed throughout the United Nations General Assembly meeting in New York City, as already distant views between the nations of "North" and "South" hardened into a dangerous stand-off.

Spokesmen for the "South" stood up, one following the other, to warn that unless a consensus were reached—and quickly—on how to solve the joint problems of a mushrooming foreign debt and the international drug trade, the overthrow of entire nations, even entire regions, of the globe was imminent.

Speaking with unexpected boldness, Venezuelan President Jaime Lusinchi set the tone in his addresses both to the Latin American delegations and to the General Assembly at large. "A hanging man can't pay his debts," Lusinchi declared. "You can't tear the flesh from us, you can't strangle the economies of our peoples, demanding they pay obligations which are beyond their means. Nor can they be oppressed by brusque changes in interest rates set basically in terms of the needs of the great countries to balance their deficits. We, the poor, are financing the rich, but they are playing with fire, because our elimination would undoubtedly bring down the international financial world as well."

"We are witnessing a process," asserted Lusinchi, "wherein certain powerful countries are continually avoiding and postponing the opportunity for dialogue—which is tantamount to refusing to negotiate. This situation, in the global dimension as well as in the individual case, can result in something we all wish to avoid: confrontation."

The same idea was voiced by Brazilian Foreign Minister Saraiva Guerreiro, who warned the General Assembly of a "tragic regression" in relations among nations. "The countries of the Third World cannot continue to indefinitely sustain the pressures they are suffering, nor can they live at the mercy of abrupt fluctuations of interest rates."

Argentine President Raúl Alfonsín claimed that as much as 3% of Ibero-America's national product was going to sustain the international banks through exorbitant debt and

interest payments, paradoxically turning the developing-sector nations into net exporters of capital. "The question of the debt is inextricably linked to the political and social destiny of our countries, and since it affects the whole region, it jeopardizes global stability in Latin America."

Colombian Foreign Minister Ramírez Ocampo spoke in similar terms of a process of "permanent looting" of Ibero-America's resources which has made "all the political, financial, and social efforts of the past eight years in vain." The validity of the Cartagena Consensus, concluded Ramírez Ocampo, "will be proven either by successful dialogue or by the bankruptcy of the debtors and creditors if dialogue is not initiated."

The "North" responded with a series of statements—in the most part from U.S. spokesmen—which informed the developing nations in no uncertain terms that all they could expect from the advanced sector was more of the same. U.S. Treasury Secretary Don Regan told the Ibero-Americans that the only solution to the debt crisis was handing over their resources in a debt-for-equity tradeoff. Undersecretary Beryl Sprinkel held a satellite interview with several Ibero-American publications in order to push the same line.

President Reagan declared in his address to the IMF assembly that the answer to the recovery of developing-sector economies was "spending less and cutting tax rates, not by planning an elaborate industrial policy." He defended Paul Volcker's high interest rate policies, and urged "positive" interest rates, a "realistic" exchange rate, and honoring the free trade code as some of the "incentives" the debtor nations should offer foreign investors if they wanted to attract capital. Reagan further responded to the debtors' appeals for a debtor-creditor summit in early 1985 by recommending that "a special session on debt" be included in the IMF's semi-annual interim committee meeting next April!

And Henry Kissinger added insult to injury by answering the fears of the developing sector that their very sovereignty was at stake with a speech before a Mocatta Corporation dinner in which he called for the end of the nation-state as an anachronism.

Drugs: 'a crime against humanity'

The other constant theme running through the majority of the Ibero-American presentations was the international drug trade and the urgency of an international war against it.

Venezuela's Lusinchi emphasized: "Drugs have perverted the very structure of Latin American society. . . . Our armies have been penetrated by drugs, and some so-called redeemers of the left who propose change through violence are also agents of the drug trade. . . . Our countries cannot wait, because very soon, in a few months, or perhaps weeks, in some countries we could have serious disturbances which could demolish government institutions."

Lusinchi did not have to name the names of which countries he was referring to, because it is well known that Bolivia, Peru, and even Colombia are all currently facing destabilization by the combined effects of narco-terrorism and the austerity impositions of the International Monetary Fund.

Bolivia, whose constitutionally elected government has been openly and repeatedly challenged since the coup attempt last June by drug-linked political forces, appealed to the community of nations through the forum of the International Monetary Fund assembly in Washington D.C. for economic relief which would enable it to survive the assaults of the mafia. Finance Minister Bonifaz Gutiérrez insisted that Bolivia could not pay its foreign debt nor survive economic sanctions "any more than one can squeeze water from a stone." Bolivia's miniscule reserves are going to import food and other requirements to stave off complete paralysis of the productive sector, explained Bonifaz, and the assaults of the drug mafia, decades of military dictatorships, and a series of natural disasters demand "realistic, not monetarist, solutions for Bolivia."

Peru, whose stand-by agreement with the IMF a mere six months ago has already disintegrated, is facing an imminent "fiscal explosion," according to one government official, at the same time that the drug-trafficking Sendero Luminoso terrorists have stepped up their rampages to include a brazen machine-gun assault on the U.S. Embassy in Lima. Peru's desperate state of affairs revealed itself when President Belaunde appealed to international financiers in Washington for "the Argentine treatment"!

Colombian Foreign Minister Ramírez Ocampo told the U.N. General Assembly that his country "has suffered the [drug] plague at incalculable cost, this year reaching the ultimate sacrifice of a Justice Minister" [Rodrigo Lara Bonilla, assassinated April 30, 1984]. He pledged that the Betancur government would continue its battle with the mafia, even knowing full well that the drug trade would not exist if the consumer nations undertook the battle "with the same vigor. . . . For this reason," concluded Ramírez Ocampo, "we propose to this assembly a frontal and universal war against drugs."

The appeals of these embattled nations went unanswered for the most part, except in the instance of a letter sent in mid-September to Bolivian President Siles Zuazo by U.S. Vice-President George Bush. In that letter, which purported to praise Siles Zuazo's anti-drug efforts, Bush bluntly rejected the appeal of the Aug. 10 "Quito Consensus" of Ibero-American states for an international fund to be created that would help relieve "producer nations" of the immense financial burden imposed on their economies by the war against drugs.

Documentation

'A hanging man can't pay his debts'

The week of Sept. 24 has been one of intense debate among the world's nations on how to solve the key crises threatening the future of human society. Speaking from Bogotá, Colombia, President Belisario Betancur explicitly drew upon the memory of Gottfried Wilhelm Leibniz and the notion of "natural law," which he evolved to elaborate on the quality of "moral power" human society must find within itself if it is to survive. Venezuelan President Jaime Lusinchi, speaking from the United Nations in New York, addressed the two critical problems of the foreign debt and the drug trade which, together, are destroying Ibero-America's republican institutions and creating the conditions for confrontation on a world scale.

Excerpts of speech given by President Betancur to the Colombian Academy of Jurisprudence, Sept. 24, 1984:

Under circumstances such as those under which we have lived for more than a quarter century, the reign of a system of laws alert to social changes, to transformations in the structure and behavior of power and the community it sustains, is key to preventing that community from becoming disoriented or destabilized. When we live under the mark of social disorder, not to mention the whirlwind of political violence, it becomes vital to promote values which, like law, are consubstantial with our own origin. . . . It is maintained that to natural law is not only due the theoretical formulations and foundations of 17th-century thought on international law, but the services that that doctrine has lent to civilization as a whole have been immense.

[Natural law] has opened man's eyes to his chains, showing him how to free himself from them. In the name of the inalienable human right to liberty, [natural law] has freed the weak from the soil and from bondage, has freed the married

woman from submission to the egoism of her husband, the captivity of urban man to the networks of the guilds or the domination of the stronger, has undermined the absolutism of government and those patrimonial titles inherited under feudalism, and has even fought with rules, with seriousness, with jests the enslavement of the right to think freely against every sort of ideology, barrier, and posture of dogmatic intolerance.

In sum, [natural law] has defended and rescued the personality from the arbitrariness of the abuses of power and instead proclaimed the concept of a state of law. . . .

Without society, law would have been unthinkable and without the establishment of coercive rulings (laws), society would never have been able to take the step from the amorphous horde subjugated to the radical violence of the father—as Freud intuited—to the organized clan under totemic principles or taboos which are the embryo of rational lawfulness. . . .

The simplicity and elegance of this concept of civil society based on law as the only source of legitimacy and of humanity . . . is born of profound and persistent meditation on human nature and its moral condition. . . . Positive law, an imitation and shadow in the Platonic sense of that natural and eternal law to which Antigone appealed against the tyranny of Creon, is that which guarantees coexistence and cautions against anarchy, is that which lays the foundations for the norms of social behavior and redeems man from his animal cast. . . .

Excerpts from speech presented by Venezuelan President Lusinchi to the U.N. General Assembly, Sept. 24:

We are witnessing a process wherein certain powerful countries are continually avoiding and postponing the opportunity to dialogue—which is tantamount to refusing to negotiate. This situation, in the global dimension as well as in a problem-by-problem approach, can result in something which we all wish to avoid: confrontation. It is clear that at this critical time the responsibility is incumbent upon all of us, and we wish to share it in order to lay the foundations for a better future for all. We have no choice but to be up to the challenges of the hour.

The peoples of the Third World demand change, without delay. They demand fairness, effort, and tangible results, of benefit to all.

As an additional factor in the historic problem of injustice in international economic relations, we are faced today with an extremely serious situation, perhaps the most serious in recent history. The amount of foreign debt of the developing nations is so overwhelming that its consequences affect their very political and social stability; the dimensions of the debt problem alone requires the most far-reaching understanding. We are dealing here with issues which, due to their intimate links to the price collapses in the raw materials export market,

the increasing protectionism of the industrialized countries, the irrational rise in interest rates (whose slight variations, a result of manipulations by the world financial market, undermine our social programs), all contribute to the weakening of efforts toward national recovery, denying work and condemning millions of Latin Americans to a marginal existence.

It is inexcusable that the economic systems of Latin America, which have to a greater or lesser degree been under tremendous pressure, in the lean year of 1983 alone transferred \$30 billion to the industrialized countries. Plain and simple, this is a disaster for our economies. We have to consider new approaches. The responsibility for this situation is not that of the debtor countries alone; some others must also be held responsible: the international banking system, the lender countries, and the international financial organizations. These responsibilities are inescapable. . . . If we don't address this issue in a timely manner, with political sensitivity to the problems of these countries, the whole world could founder in a crisis of unfathomable magnitude. As nations, we are all irreversibly moving towards interdependence; the risks of such chain reactions are high. . . .

Along with many Latin Americans, we Venezuelans are deeply concerned about the problems of drug trafficking and the illegal use of drugs, which in many countries during recent years reached alarming proportions. . . . Drug traffic recognizes no boundaries, it stops for no one. Its aims are both straightforward and sinister. It goes so far as to attempt to destabilize governments through corruption, making use of all kinds of criminal elements, tying them into an intricate network of operations, conspiracies, and complicities which involve all levels of society, from subversives of the left and the right to the most affluent and the most impoverished of our citizenry, striking at the very heart of public life. Lacking all scruples, its penetration is limitless and has reached such a magnitude that, as we stated recently in Quito, drug trafficking not only represents a threat to the national security and the sovereignty of various countries, it is also converting itself into a dangerous agent of international conflicts. . . .

Governments can no longer consider this to be simply a political issue, or a public health problem limited to a particular state. It's time we recognized it for what it is: an international problem, with wide-ranging social, economic, and political implications. . . . Venezuela is, therefore, at both national and international levels, committing its resources so forcefully in this direction [of fighting drugs]. In this respect, we have proposed for the consideration of the United Nations and other appropriate international organizations the creation of a special fund to provide assistance to developing countries affected by drug trafficking. This proposal is embodied in the Declaration of Quito Against Drug Trafficking. The Declaration of Quito Against Drug-Trafficking reflects the decision of the international community to classify as an international crime against humanity all activities related to the illegal trafficking in drugs.

Cartels to gain from Florida citrus canker

by Marcia Merry

On Aug. 24, the presence of citrus canker was discovered in central Florida, in an old, established supplier of young citrus stock to groves and other nurseries throughout the Florida citrus belt, Ward's Nursery. The virulent disease, very harmful to citrus plants, though harmless to humans, has been traced back to at least last January, and plant pathologists are searching for exactly when and where it was introduced. It was necessarily carried into the state on leaf, treestock, or fruit by human agent, since the disease was eradicated in Florida by 1927. The contamination was either inadvertent, perhaps through a gypsy "budder" who works in the groves, or even possibly deliberate, as some have rumored when the question of who benefits is considered.

Any resulting shortfall in orange juice concentrate supplies for the United States will be met from Brazil. Food cartel operations there, notably Cargill, Inc., have been positioning themselves to take advantage of just such a contingency as the Florida citrus canker outbreak.

On Sept. 12, Secretary of Agriculture John Block declared a state of emergency in Florida, and authorized special funds for a canker eradication program. Since then, specialists have been brought in from California and other citrus states to help speed the process. Containment and eradication measures have also been taken by the Florida growers and the state. At this time, harvesting of citrus is proceeding in those groves of the state where inspectors have checked and found no canker. The inspection, regulatory, and eradication program will take as much as a year, however. So far, the disease has appeared in only six out of about 100 citrus nurseries. Those six have been burned—the only known remedy for eradicating the infestation. As of late September, there have been no reported infestations of the groves themselves.

Florida produces about 70% of the U.S. orange crop. The possible damage to the harvest has sent orange juice prices up sharply on the New York Cotton Exchange. The spot frozen orange juice concentrate price rose from \$1.7310 a pound Sept. 10, to \$1.8170 Sept. 12.

The Brazilian orange crop has been "bought forward" up through 1986. Brazilian groves are concentrated in the state of São Paulo. The United States and Brazil together account for 63% of the world's oranges. The states of Florida and São Paulo alone account for 47% of annual world output. In the

last three years, during which Florida has been struck by killer frosts, São Paulo, Brazil has outproduced Florida in total tonnage of oranges harvested. Florida has produced 172,400 million metric tons (1981), 125,800 (1982), and 142,200 (1983). São Paulo produced 175,400 (1981), 184,410 (1982), and 181,000 (1983.)

Brazil's growers have placed themselves in position to take special advantage of any problems encountered by Florida growers. The Brazilian orange groves represent a mix of independent growers, corporate-cartel holdings, and old European oligarchy holdings—the latter two barely distinct. Over the last several years, through certain channels in the government associated with policies of the International Monetary Fund—the old European oligarchy—some of the cartel and oligarchy holdings received government money to develop and expand citrus groves on a crash basis.

The Brazilian processing and international export trade is a very "closed" circle, dominated by cartel interests. Cargill (Cargill Ind. LTDA) is among the top four juice concentrate manufacturers in Brazil. Cargill and the Italian black aristocracy's notorious Matarazzo family, which controls Frutesp S.A.-Agro. Ind., own 25% of the juice concentrate processing capacity.

Recently, Cargill put into operation the world's first stainless steel tank ship for transporting frozen concentrated orange juice in bulk. The M/V Bebedouro, registered in Singapore, carries 1.3 million gallons out of Santos, Brazil.

There have been no precise estimates of the damage to the Florida industry, but to restore it to its recent production level will take at least 10 years because the canker follows three years of killer frosts. On Dec. 25 and 26, when the temperature in much of the state dropped to 20°F, an estimated 10 million trees were killed or damaged. This represents about 159,000 acres of mature trees. The growers were engaged in a crash program to replace this loss when news came of the canker infestation. Now, the total 761,000 acres of citrus will have to be inspected, which growers hope will be done before any significant dislocation to harvest takes place.

The Florida nurserymen have no insurance against canker, and face personal financial disaster. And, although the national citrus supply depends on a vigorous Florida citrus industry, the federal government has not indicated any remedial action. The USDA will only say there are "discussions" under way. The USDA and the State Department are well known to frequently act as tools of the food-cartel companies and other favored importers of fruit into the United States—United Brands, for example. Such channels bring in citrus from Mexico, where the citrus canker is present, though the fruit is chlorinated for export. However, when the canker was discovered in Florida, the USDA at first refused to permit even chlorinated fruit out of the state to other non-citrus states. Intense pressure was required to force a more reasonable approach.

Canker must have come from outside

Citrus canker (Xanthomonas citri) is a bacterial disease that causes extensive damage to the branches, leaves, and fruit of plants in the Rue family, which includes all citrus fruits. The last known infestation in the United States was eradicated in Texas in 1947. Here, Dr. Ernest P. Du Charme, a plant pathologist with 35-years research experience, including work in Argentina and Japan, is interviewed by Agriculture Editor Marcia Merry on the canker's appearance in Florida.

EIR: Is there a parasite or virus that could be developed to attack the citrus canker?

Du Charme: These possibilities exist but where they have been attempted they are not practical. The phages will work in petrie dishes and surface contamination under experimental conditions, but in nature, when you are trying to reach the bacteria beneath the skin of the fruit and in the peel, or under the natural respiration openings of the tree and plant, you don't reach them.

EIR: What about chemicals—copper compounds?

Du Charme: Copper compounds are effective in destroying the bacterium—copper sulphate, or a copper oxichloride. And the spraying rate we recommend is three fourths of a pound of metallic copper in 100 gallons of water. The copper itself, when the molecules are very finely ground to micron size, becomes an effective prophylactic and decontaminant. However, if there is an infection underneath the skin tissues of the plant, this remedy does not reach it.

EIR: What percentage of the Florida citrus acreage has been sprayed?

Du Charme: I expect that within the next two or three weeks, and this is only an opinion, at least half will be sprayed with copper as a prophylactic spray.

EIR: Can plants build up resistance?

Du Charme: No, plants do not have an immune system like animals. So this won't work. About the only thing that can be done with plants, is that you can get them accustomed to living in a very hostile environment with certain chemicals, but not with organisms or parasites.

EIR: Can we breed new stock resistant to pests?

Du Charme: Yes, you can. The only problem is that, one, citrus is a perennial crop and will keep for many years; two, the organisms mutate rapidly. There are millions and millions of bacteria on the leaf, for example, and mutation is encountered in, say, one in ten million bacteria. Now consider what happens with annual plants. We have learned how to tailor-make different varieties of wheat to withstand a given race of rust. But if you keep these varieties of wheat more than several years, they are susceptible because another race turns up. So in citrus, where you hope to keep the plant a hundred years, or fifty years, it is not practical.

EIR: Some observers, like Senator Hawkins, say the Florida canker is like the Mexican variety?

Du Charme: First of all, it isn't anything like the form they've got in Mexico. It is caused by the same bacterium, but a different strain than the Mexican. We have not had a chance yet to identify the Florida strain.

EIR: If you had the resources, could you roll the canker back throughout the world?

Du Charme: No, we can't eradicate it yet. We have to do this by destroying infected plants, including where the bacterium is carried in a latent form. In places like Japan, I don't know if you would ever get rid of it because it is all over the country. . . . Brazil has been working on an eradication program since 1957 in São Paulo, an attempt to confine it to some varieties of limes and lemons. In Argentina they began an eradication program in 1977, but they gave up. . . . Israel doesn't have it. The Mediterranean area is also free of it. They once had canker in South Africa but destroyed it.

EIR: How did the canker start in Florida?

Du Charme: We generally feel that wherever you have a new occurrence, it has to be brought in somehow. The most probable way is citrus plant parts. It could come in from any place they have canker. And it can be carried on the fruit. No matter how it got in, it was illegal entry. We do not permit the importation of any kind of citrus vegetative plant part—no budwood, no root, nothing. Plant pathologists are trying to find out how the material came into Florida.

EIR: We think there are grounds to suspect economic sabotage on behalf of those wanting strategic food and commodity scarcity in the West. What do you think?

Du Charme: Plantwise, this is possible. The reason I say that, is that in World War II the states of the United States were divided up into regions and there were plant pathologists assigned to that region and all they did was to patrol agricultural fields looking for diseases that were not typical of those areas. The United States is willing, and prepared in the face of prospects of biological warfare in agriculture.

Propping the dollar

The dollar will remain strong, at least until the election, but only if the Reagan administration makes major concessions to the gnomes of Europe.

Outgoing Swiss National Bank President Fritz Leutwiler made the following remarkable statement at his International Monetary Fund press conference in Washington, D.C., on Sept. 26:

"Three illusions must be avoided: that of a prompt build-down of the U.S. deficit; that of a prompt decline of U.S. interest rates; and that of a rapid decrease of the dollar parity." In fact, he added that he "would not be surprised if the dollar hit 3 Swiss Francs"—the current rate is 2.50.

Leutwiler is talking about a 16% appreciation within the next few weeks or months! Since his statement is out of line with current-wisdom expectations, it bears some investigation, especially since we know that top Swiss banking figures are expecting, not to mention counting on, a giant dollar crash sometime in 1985.

It appears that the same European banking cartel which plans a "monetary Pearl Harbor" against the United States has cut a deal with the Reagan administration: The dollar will remain strong, at least through the election, provided the United States 1) can use the full power of the State Department to terrorize the restive Ibero-American debtors, and 2) will agree to accept a major degree of supranational surveillance in the context of next April's super-meeting of the International Monetary Fund's Interim Committee (see lead article, this section).

This may be viewed in the context of the fact that Moscow was massively selling dollars on Sept. 19, the same day the West German Bundesbank be-

gan a major program of intervention on the dollar's behalf. Profit-taking? Perhaps, but more importantly, they were testing the present market reaction patterns. The press is waking up to the remarkable spree of Euro-market borrowing and immediate redepositing that the Soviets have been involved in since April-May. This spree shows that Moscow is committed to a maximization of the Soviet cash and liquidity position. When an actual, full-scale Soviet operation to dump the dollar could happen is another question. Leutwiler's statement indicates that the Swiss want to puff up the dollar for a little while more.

If Ronald Reagan et al. intended to present a strong dollar, they have reached their goal, with the fluctuation band now at DM 3.03-3.17. The Federal Reserve has temporary leeway to marginally ease credit market conditions at home. The Fed's intensive open market operations during September had, as of late September, brought down the Federal Funds below 11%. The deliberate, large-scale injection of funds also drove Certificate of Deposit rates down, and bond prices up. The prime rate was cut by Morgan on Sept. 28, with most banks following Morgan's lead.

Now, European central bankers and finance ministers and bitter at the United States, after a conflict erupted last week between Deutschesbank president Hans-Otto Pöhl and the Treasury on the question of intervention: Regan denied that market conditions were 'disorderly' on Friday, Sept. 19, the very day the dollar rose

to 3.1625 ratio to the DM and then plummeted to 3.05, all within a few hours.

On the other hand, Pöhl charged that the Treasury's hands-off attitude violated the spirit and intent of the Williamsburg gentlemen's agreement, and reiterated his oft-repeated prediction of a "dramatic overshooting downwards" of the dollar.

Britain's Finance Minister Nigel Lawson minced no words at the Toronto Commonwealth meeting, charging the United States with "abusing a special privilege [which] greatly exacerbates the international debt problem . . . the deficit must be curbed, or the debt crisis will end up in tears. . . . The Williamsburg rules must be adhered to. . . . Let not our leaders load us with perpetual debt. . . ."

The Bundesbank probably spent approximately \$2-3 billion to support the deutschemark, to which Banque de France and Bank of England intervention in the same direction must be added. What might be emerging is a "European bloc," arrayed against the dollar and for post-electoral times.

The most interesting echo of the European complaints is a London *Times* commentary, "The Dollar Standard is Doomed," on Sept. 28 by Tim Congdon, one of the main monetarist spokesmen in the City. Congdon wrote: "Whatever the gyrations in the next few months, the dollar is steadily being disqualified from a reserve currency role . . . [because of] the most financially irresponsible administration in American peacetime history. . . ." Congdon spelled out the details: The U.S. current account deficit will remain at \$100-150 billion per year from 1984 through 1987; the external U.S. debt will bulge; the invisible income will vanish as foreign investment in the U.S. increases; and the trade balance will also worsen.

Business Briefs

The Arms Trade

Papandreu, Qaddafi in weapons-for-oil deal

Greek Prime Minister Andreas Papandreu made an official state visit to Tripoli Sept. 22-23 to arrange an oil-for-weapons deal with Muammar Qaddafi's regime. Under the terms of the deal, Libya, which already supplies 12% of Greece's oil, will increase its oil exports to Greece, in exchange for Greek weapons.

The deal also gives Greece a major role in the repair of Libya's small commercial and military fleet, a task which Greece will share with East Germany, which built the Libyan fleet, including its submarines.

The Debt Bomb

Argentine-IMF accord is 'unworkable'

Argentine President Raul Alfonsín concluded a new austerity agreement with the International Monetary Fund in Washington, D.C. on Sept. 25, but analysts agree that the accord is "unworkable," and the agreement has not been signed. It is supposed to allow Argentina to draw a total of \$1.6 billion from the Fund, if it can convince commercial banks to lend an additional \$3-5 billion. In return, Argentina has to impose an "economic adjustment program" consisting of spending cuts, tax increases, and wage and price controls.

The *Wall Street Journal* on Sept. 27 quoted an unnamed senior Argentine official saying, "We will be out of compliance with the IMF program in three months. There's no way it can succeed. The economy's out of control and no political groundwork has been laid to prepare the Argentine people for what's needed to correct it. And worst of all, I think Alfonsín's heart still isn't really in this thing."

Argentina's creditors, on the other hand, are also skeptical about the agreement, which they see as too vague on the questions of currency devaluation and wages. The U.S.

Treasury and some creditor banks are going to have to extend some emergency financing before the year is out to keep the Argentine payments coming, according to the *Journal*.

Others inside Argentina are saying the "backlash" against the IMF accord could fell the Alfonsín government, but no one is yet speaking of a military coup—except Henry Kissinger, quietly.

Meetings in New York between Alfonsín and the commercial bankers left the two sides far apart, with Argentina asking for \$5.5 billion in fresh loans and the banks offering \$2.5 billion. Argentina is apparently still refusing to pay overdue interest of some \$1 billion due in September.

The Food Cartel

Cargill behind grain elevator shutdown

The U.S. Department of Agriculture has padlocked and shut down the nation's largest grain storage elevator after a scandal over missing grain. The Department appears to be acting at the direction of the giant Cargill food cartel.

The elevator, a giant 26-million-bushel complex in Plainview, Texas, was built by Billie Sol Estes, and is now owned and operated by an independent, P. L. Blake of Mississippi. On Sept. 14, the Agriculture Department shut the elevator down on the charge that PLB was missing 900,000 bushels of government-owned CCC corn. The elevator was shut one day after Cargill, Inc. removed every last kernel of its grain, probably for shipment to the Soviet Union.

The elevator has remained padlocked. The Agriculture Department gave P. L. Blake until Sept. 28 to come up with the grain or money, or lose their government storage agreement.

Undersecretary of Agriculture Daniel Amstutz, a former top Cargill executive and Swiss connection, has personally supervised the operation, according to persons involved.

Putting the big Plainview elevators out of commission will concentrate almost total control of strategic grain storage in the hands

of Cargill and the other agrigiants—Bunge, Anderson Clayton, Continental, Dreyfus, and others.

Ibero-America

Scientists defend Peru's nuclear projects

More than 200 scientists and technicians who work in the Peruvian Institute of Nuclear Energy (IPEN) are engaging in an escalating series of work actions to defend the institute from imminent collapse. Funding has been curtailed as part of International Monetary Fund austerity programs instituted by the government.

The case of IPEN is not unique: The large copper project of Cerro Verde II and the irrigation project of Chira-Piura are also near paralysis for lack of financing.

The leadership of the nuclear workers union has held discussions with the Andean Labor Party of Peru (PLAN), which is intervening in the fight on behalf of the scientists goals. The party has warned, however, that "Maoist" elements are trying to turn the IPEN crisis into a confrontation between the scientists and technicians of IPEN and the armed forces, who control the executive board. Therefore, PLAN leaders are recommending that the issue be taken beyond a "wage question" and focus on the role that nuclear energy plays in terms of the national defense and national sovereignty.

Labor Party pickets in Lima have been seen carrying signs such as: "Fewer Coca Plants and More Nuclear Plants."

Africa

World Bank plan for development no solution

The credibility of the World Bank "is at stake," said a spokesman for the African delegations attending the joint meeting of the IMF and World Bank in Washington, D.C. Sept. 25. The 42 African delegations

Briefly

● **DAVID ROCKEFELLER** is complaining that President Reagan did not make a strong enough commitment to lower interest rates in his speech to the IMF meeting in Washington on Sept. 25. "He touched on the budget deficit and interest rates, but he was not quite as strong as one would have hoped," Rockefeller charged.

● **CONTINENTAL** Illinois Corp. shareholders voted on Sept. 26 to approve a whopping \$4.5 billion government bailout package for the bank. The bailout is the largest federal rescue ever of a nationally chartered bank. U.S. District Judge John F. Grady has issued a temporary restraining order barring transfer of \$92 million of Conti's bad loans to the Federal Deposit Insurance Corporation, pending further testimony on the matter.

● **RAUL ALFONSÍN**, the Argentine President, met with top U.S. bank executives on Sept. 26 at the New York home of Henry Kissinger and later at the Waldorf Astoria hotel. Alfonsín was accompanied by Economy Minister Bernardo Grinspun and Foreign Minister Dante Caputo. Kissinger apparently offended certain foreign members of the 11-member banking steering committee negotiating with Argentina, when he failed to invite them to the luncheon. Deutsche Bank was the only non-American bank represented.

● **VENEZUELA** should do more to encourage free enterprise and should abandon excessively nationalist regulations which hinder foreign investment, according to George Landau, the U.S. ambassador to Caracas and a close associate of Henry Kissinger. Foreign businesses should be guaranteed a profit, permitted to remit those profits, and have majority control in joint ventures, he said; foreigners will not invest in those countries where government regulations hinder their "options and initiatives."

called for a major effort by developed nations to avert an economic collapse in sub-Saharan Africa.

"The crisis now confronting Africa needs to be addressed urgently if the political, social, and economic nightmare that many African countries might experience by the turn of the century is to be avoided," said Zambian Finance Minister L. J. Mwananshiku.

"Most African countries have been forced to reduce their imports of capital goods, thereby slowing down their rates of growth at a time when the problems of poverty, disease, illiteracy, hunger, and malnutrition demand increasing attention."

The economic recovery which most Western nations claim is under way "has not exerted any significant positive influence on developing countries," he said. "International interest rates are still very high, the prices of our major export commodities remain depressed, and industrial countries have continued to erect trade barriers everywhere."

Mwananshiku warned that moves must be taken urgently. "The credibility of the bank as well as that of the international community is at stake."

The World Bank has issued a new report, "Toward Sustained Development in Sub-Saharan Africa: A Joint Program of Action," which emphasizes "existing investments rather than starting new development projects," and says that some projects have to be "written off."

Third World Development

Regan calls for world IMF parley

U.S. Treasury Secretary Donald Regan proposed a special conference in Washington next April to discuss world economic issues, especially Third World debt, development, and trade problems. Regan said his proposal would be to make the special conference "a joint venture" of the International Monetary Fund and World Bank by having it coincide with the regular spring 1985 meeting of the IMF's Interim committee and a joint IMF/Bank group called the Development Committee.

The call is Regan's response to the calls by Ibero-American debtors for dialogue, issued at both a June ministerial level meeting in Cartagena, Colombia and the just concluded reconvening of the Cartagena Group countries in Mar del Plata, Argentina.

In a statement made Sept. 22, Regan stressed that the conference he has in mind "will not be a [debt] negotiating conference. And it is not a creditor-debtor meeting," as the debtor-nations requested. It will not be designed to stretch out debt or lower interest rates, or to "discuss 25-year moratoriums." It would do nothing, he added, to change the current policy of handling debt problems on a "case-by-case" basis, or shift to some radical proposal for overall restructuring of the estimated \$800 billion in Third World debt.

Dairy Farming

Canada reduces milk output on U.S. model

Canadian dairy farmers were ordered in September to reduce their quota of milk output per farm to help bring down "surplus" stocks. This follows the recommendations presented to the U.S. Congress by former Agriculture Secretary Earl Butz and others, that reducing the U.S. food output alone is not "equitable," and so other nations that produce "surplus" food should also reduce their output.

The milk reduction program in the United States is resulting in shortages, transport dislocations, and dairy-farm bankruptcy. For example, nine transport loads of Grade A raw milk leave the Salt Lake City area every day to cross the Rocky Mountains to Denver to make up the shortage there of fresh milk supplies. Meantime, Grade C milk goes in the other direction, from Colorado to Utah, for manufacturing into cheese. Wisconsin is shipping out 19 transport loads a day to Georgia and the southeastern states.

This interstate shipment means that the shelf life of milk in the grocery store is reduced by several days, no matter how carefully the farmers, handlers, and processors refrigerate and care for it.

Anti-missile results show that 'Star Wars' opponents are lying

by Paul Gallagher

U.S. "beam weapons" experts have submitted reports summarizing their progress through mid-1984 on President Reagan's Strategic Defense Initiative (SDI)—the plan to defend against nuclear attack with anti-missile systems based on land, sea, in the air, and in space.

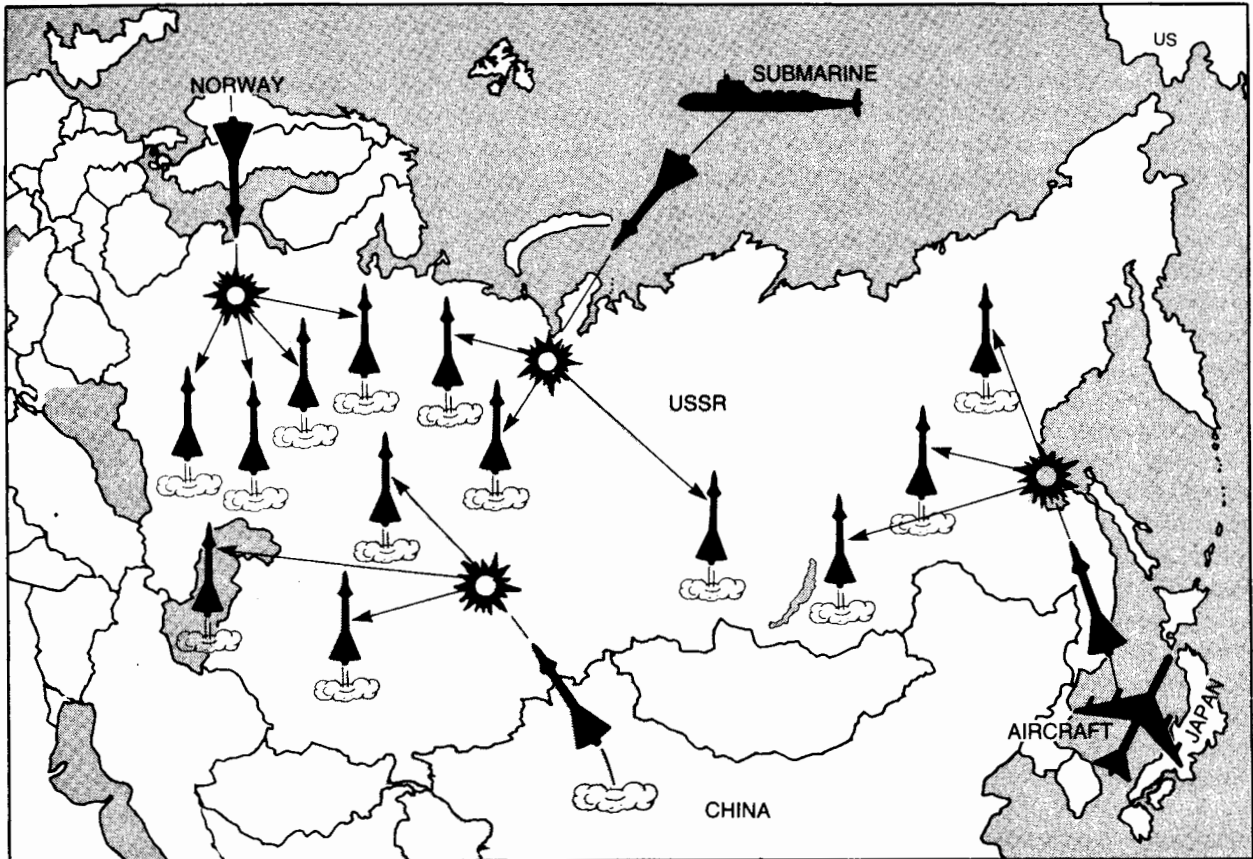
The breakthroughs these scientists are reporting demonstrate dramatically the near-term potential for the whole range of ABM defense capabilities, from earth-basing to low-earth orbit and "pop-up" deployment, and all the way out beyond geosynchronous orbit, 22,000 miles up. Dr. Lowell Wood of Lawrence Livermore Lab emphasized recently, "My colleagues and I would not be expending this effort on a development for the 21st century."

The national lab reports which we publish below were written to debunk incompetent critiques of beam defense which dominate public discussion through the press—critiques of the general "authoritative" character of Adm. Leahy's famous 1944 remark, "the atomic bomb will never go off, and I speak as an expert in explosives."

One technology review paper on anti-missile defenses was prepared at Los Alamos National Laboratory. It shows that the most publicized anti-ABM policy papers—in particular, the one being circulated by the U.S. Office of Technology Assessment (OTA) with the authority of the U.S. Congress—are outright scientific frauds, perpetrated deliberately by individuals with a political goal: to stop the Strategic Defense Initiative.

These fraudulent reports have been produced by what the *New York Times* has called the "Shadow Cabinet" of defense strategists, centered around a group of Harvard and MIT physicists and arms-control "experts." The most famous anti-beam-weapon report, written by former defense adviser Ashton Carter of MIT and published by the Tip O'Neill-controlled Congressional OTA, has been rendered into anti-"Star Wars" pulp by virtually every Sunday magazine supplement in the United States and Europe. Other well-known attacks on anti-missile defense, from the so-called Union of Concerned Scientists, were written by the same circle, which includes Carter, Richard Garwin of IBM, and Hans Bethe of Cornell.

Figure 1



X-ray laser pop-up defense

Shown are some of the geographical locations and modes of deployment for a pop-up intercept of missiles by nuclear-bomb-powered x-ray lasers. Each x-ray laser module is capable of destroying upwards of 100 ICBMs. Upon detection of the ICBM launch, defensive x-ray lasers are "popped up" into space on hypersonic rockets from land bases in Western Europe and Asia, from submarines, and from aircraft.

The Los Alamos report shows our beam scientists surpassing every one of those "fundamental limits" which, according to Carter, would make beam defense impossible. The blatant incompetence of the Carter report led the Defense Department to demand that it be formally withdrawn from circulation. It is now clear that: 1) Carter's report both compromises classified information *and* fakes its claims that beam defenses won't work; and 2) OTA director John Gibbons is resisting pressure to withdraw the report, from the DoD and four labs and other agencies that reviewed it. According to a synopsis of these reviews issued by Deputy Secretary of Defense William H. Taft, the report should "not be taken seriously by anyone attempting to understand either the design approach to multi-tiered ballistic missile defense systems or the potential effectiveness of such systems."

The Los Alamos group insists that the OTA report is not merely wrong but irrelevant to the actual progress of the SDI. "When the errors are removed, the arguments lose their im-

pact. . . . The OTA paper purports to demonstrate that the prospects for the SDI are remote. But the analysis provides no support for this conclusion, which must be viewed as essentially the personal opinion of the principal author."

Stop the coverup

The scientists' reports are now circulating to members of Congress so quietly as to be virtually secret. Even advocates of the Strategic Defense Initiative have kept quiet; the Reagan White House and Republican congressional leaders, under pressure from Henry Kissinger's arms control mafia, have made no effort to publicize the national laboratory reports. Yet the reports reveal anti-missile beam-weapon technology, as well as ABM rocket-interceptor technology, leaping ahead toward the stage of engineering development. This has occurred despite the most rigid restraints against considering any development approach which might call into question Kissinger's 1972 ABM Treaty. President Reagan has ac-

cepted these restraints, despite the growing discontent of Secretary of Defense Caspar Weinberger.

As the documents which we publish below reveal, the Defense Department fought during the month of July to force the OTA to repudiate and withdraw its report. Had this occurred, it would have provided a public victory to Weinberger and Lt. Gen. James Abrahamson, Director of the Strategic Defense Initiative, and broken an opening for rapid expansion of the program. Both men receive regular reports that the Soviet Union has kicked over the ABM Treaty and is well on the road toward an "ABM Treaty breakout."

The much-ballyhooed OTA report is purely political in its method. Dr. Carter defines something called "perfect defense" as complete interception of an all-out Soviet nuclear attack *targeted against cities*, rather than military-strategic forces as well. No such war-losing strategy is contemplated by the Soviet command. He then arrays technically incompetent or obsolete demonstrations that such "perfect defense" is a remote possibility.

The OTA method is akin to claiming that further breakthroughs in medical technology are unlikely, because an average human life span of 150 years is still a remote possibility. Shown that medical-technology breakthroughs *are* occurring, such a "critic" replies, "But I confined my remarks solely to showing how remote was the possibility of a 150-year average lifespan."

The research breakthroughs

In counterattacking against these frauds, the lab scientists reveal some spectacular breakthroughs in beam technologies for the first time.

- Perhaps most unexpected are revolutionary developments in "x-ray optics." Material cavities and other means are being developed to reflect x-rays, whose extremely high frequencies are not reflected by any previously conceived mirror. This points to a true x-ray laser far more efficient than a simple high-power x-ray beam, remaining precisely and brightly focussed for vast distances. Such a super-lethal anti-missile weapon may kill a dozen or more boosters at once from 25,000 miles, or more than a hundred boosters in a single shot in a close range, "pop-up" deployment (**Figure 1**). According to the Los Alamos report, "It would be possible to forward base x-ray lasers from submarines stationed . . . in the Kara Sea or the Sea of Okhotsk [sub-Arctic waters—ed.] and from this basing, the laser could climb to firing position before burnout of Soviet ICBMs of current *and advanced* design. . . . Each laser could attack over 100 boosters. Since it would be possible to launch 10 or more missiles from a submarine in that timeline . . . the OTA's own analysis indicates that one submarine could negate the full simultaneous Soviet launch [emphasis added]."

- X-ray lasers, in defiance of every "authoritative and fundamental" assertion of their limits in public discussion, will penetrate the earth's atmosphere from space, down to an

altitude of about 50 miles, even with the current linear beam power levels being considered. They will thus be lethal against advanced "fast-burn boosters" not yet even developed, which burn out within the atmosphere. **Figure 1** gives a sense of what this will mean, with "pop-up" deployments of powerful anti-missile devices directly attacking the boosters at ranges of only a few hundred miles.

- Nearer to hand, U.S. scientists expect a prototype neutral particle beam (**Figure 2**) to be ready for space testing in this decade, with a beam that can be almost as "bright" and tightly focussed as a laser, far more destructive to electronics and subject to virtually no possible countermeasures. The Los Alamos reporting group states flatly that fundamental physical limits thought to make particle beams spread out rapidly over long distances, simply do not apply to new techniques of high-power beam generation. These particle beams will be deadly to the sophisticated, precision-guided "post-boost vehicles" which are lifted into space by the booster and then open up, maneuver, and release warheads onto various targeted trajectories.

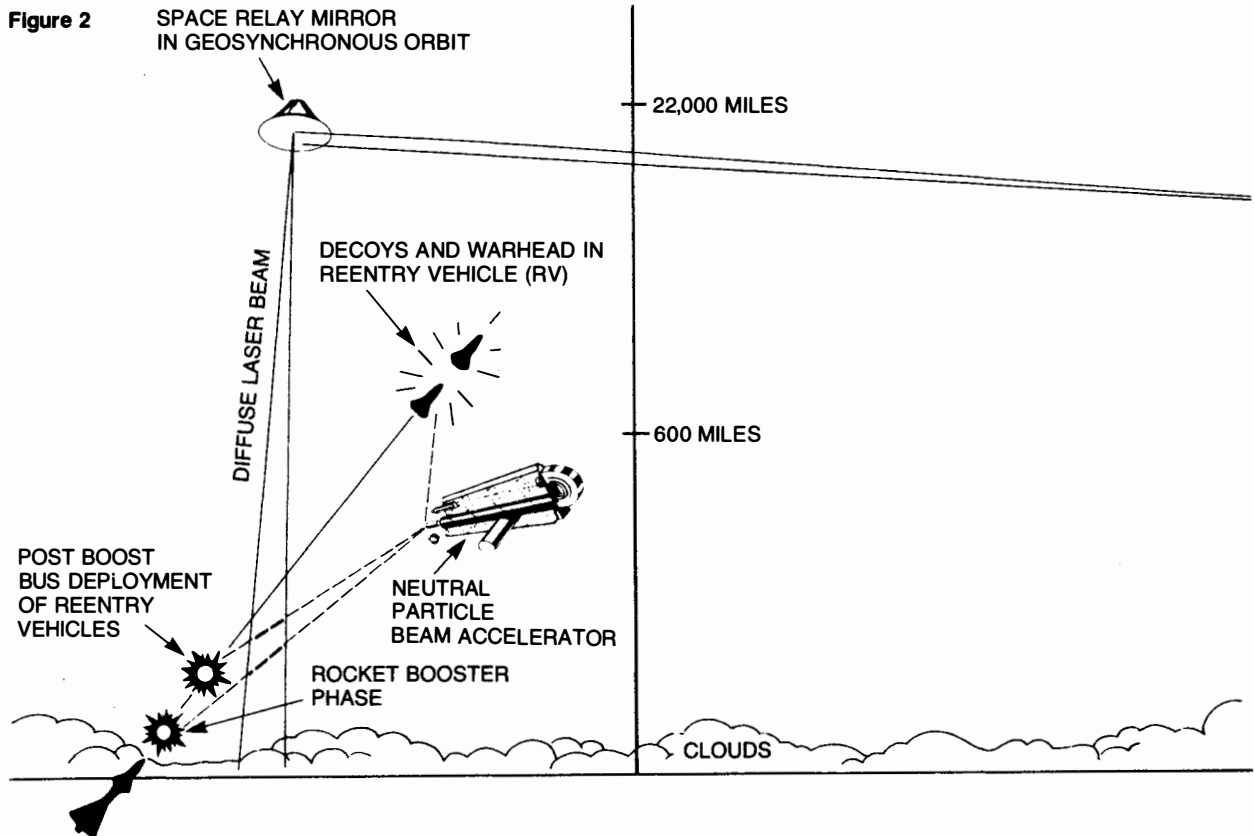
- "Active optics compensation of turbulence has in fact been demonstrated," to correct for distortion of high-power laser beams "burning their way" up and out of the atmosphere into space. This means pulsed, high-frequency lasers can be deployed on earth and have their beams relayed into space for thousands of kilometers to "fighting mirrors" which are engaging boosters at close range over Soviet launch corridors. Prototypes of these pulsed lasers, using krypton-fluoride fuel, have already reached 3 trillion watts of power and a larger prototype is now under construction.

- Relay mirrors for these high-power pulsed lasers based on the earth can even be placed in 22,000-mile geostationary orbit. Dr. Wood says that x-ray lasers can be stationed *beyond* geosynchronous orbit. These beam weapons and mirrors will be virtually invisible and invulnerable, while enjoying a "long clear path" to the target area which is always in their view.

- Orbiting beam weapons which are out of kill range of missiles, post-boost vehicles, and warheads will use their beams as tracking devices from the "fringes of the battle," providing number and variety of tracking beams directly linked to battle-management computers. These tracking beams, the scientists report, will be able to illuminate their targets to produce a return signal bright enough for "signal processing"—that is, the sensors will be able to "see" and track objects which are much smaller than the diffraction limit of the beam itself.

- "Free-electron laser" technology is becoming "mature" for both ground basing and possible space basing. These lasers are super-efficient in converting input energy into beam power; and they can be "tuned" to emit beams at different electromagnetic frequencies to maximize their lethality against boosters, post-boost vehicles, or warheads. Santa Barbara researchers have just announced the first free electron laser which is "tunable" in the "far infrared" region of the spectrum.

Figure 2



Neutral Particle Beam

The neutral beam would be able to engage missiles in the boost, post boost (bus), and mid-course phases of their trajectories. Shown above is a neutral particle beam accelerator in a near earth orbit at an altitude of 600 miles, engaging missiles in all three phases. In this case a diffuse laser beam directed from a relay mirror in geosynchronous orbit is used to light up the neutral beam so that it can be easily directed onto the missiles in the same manner in which tracers are utilized by anti-aircraft guns. According to the Los Alamos report: "neutral particle beams would have the very high effectiveness against post-boost vehicles, which are heavily dependent on electronics and can stand little interruption in their function, and reentry vehicles, which are exposed for a very long time and very susceptible to neutral particle beam effects in mid-course." Also, neutral beams kill at very low energy depositions: "10 Joules/gram (1 Megarad) corresponds to *destruction*—not 'transient upset'—of electronics. This is a hard kill mechanism." As for attacking the post-boost bus, Los Alamos notes: "Adequate active techniques exist to make tracking the bus practical and killing it feasible. The third issue, that buses can be more easily hardened, is not generally true. Since it is the last stage of the vehicle, the weight penalties are the greatest for hardening the bus. Moreover, in order to deploy their RVs, buses must open up, making hardening more difficult."

Imaginary countermeasures

The Los Alamos and other reports refute in detail the claims of the arms controllers that ABM defense is useless, because the Soviet Union would be able to overwhelm and counter any defensive system. "As to the factors that 'conspire' to make directed energy BMD remote," the Los Alamos report concludes, "the first—that the defense of society [i.e., population centers—ed.] is difficult—is true, but that doesn't make it any less worthwhile. The second—that 'for every defense concept . . . a countermeasure has already been identified'—is incorrect." The countermeasures make for heavier, less maneuverable boosters and "buses," and smaller warhead payloads—precisely what the boost-phase

layer of defense is supposed to do. "The countermeasures were refuted in detail. No countermeasures have been put forward which could be implemented with 'today's technology.'"

Despite the magnitude of these reported achievements, it is important to remember that they *do not* exceed in quality, and fall short in depth of engineering quantity, what has been reported of the Soviet ABM program. The entire prospect for realizing the Strategic Defense Initiative could be lost overnight, if President Reagan allows Kissinger to convince him to "trade" the SDI for a Soviet return to Geneva. But if Reagan rejects the Kissinger route, we can build anti-missile defenses during this decade.

The OTA report is 'riddled with errors'

A stormy debate has broken out between defenders of the Strategic Defense Initiative at the Pentagon and Los Alamos National Laboratory, and opponents of the beam-weapon program at the Office of Technology Assessment of the U.S. Congress. Dr. Ashton Carter of the Massachusetts Institute of Technology had issued a paper in April 1984 for the OTA, titled "Directed Energy Missile Defense in Space." Four agencies, which Carter cites as contributors to his report, produce the following review, released by Deputy Secretary of Defense William H. Taft:

This report is a result of an Office of Technology Assessment contract with Ashton B. Carter of MIT, and it purports to address directed energy weapons (DEW) in the boost-phase intercept portion of ballistic missile defense (BMD) against intercontinental ballistic missiles (ICBM). . . . The author claims that the paper is based solely on unclassified material though he admits to having full access to classified information. . . .

The paper suffers from three fatal illnesses: 1) it is riddled with technical errors, 2) a number of the key assumptions upon which the paper is built are seriously in error, and 3) the choice of critical system design parameters which the author selects to illustrate concepts and design are inconsistent and ill-conceived.

With regard to technical errors the most significant deals with the basic constellation configuration used by the author. It is grossly inefficient and leads to large absentee ratios and linear dependencies upon system variables whereas more optimum constellation designs lead to absentee ratios smaller by factors of 2 to 10 and to square root dependencies upon system variables. This error alone can account, in some of the examples used by the author, for factors of 10 to 30 difference in the answers.

With regard to erroneous assumptions the key assumption the author made which leads to the largest error in his calculations is that the sophisticated and critical post-boost vehicle can be designed and built to be significantly harder than the booster. This assumption accounts for another factor of 2 to

3 difference in his results from those generated by others.

In summary, so serious are the errors contained within the report that it should not be taken seriously by anyone attempting to understand either the design approach to multi-tiered ballistic missile defense systems or the potential effectiveness of such systems.

EIR asked OTA spokesman Peter Scharfman his view of this criticism of the OTA report. Here was his reply:

We submitted these comments to some very distinguished and impartial reviewers and their conclusion is that there is no basis for withdrawing or for modifying this paper. . . . The Carter paper makes a distinction between what it calls a perfect defense and what it calls a less than perfect defense. Those are Carter's terms now—perfect defense and less than perfect defense. It goes in considerable detail into what it is a perfect defense would have to do in order to be a perfect defense and the kind of countermeasures that might be used against a defense that was trying to be perfect and the difficulty of coping with those countermeasures and it arrives at the judgment that a perfect defense—which I would describe as a defense of cities against an all-out attack on cities—is a very remote prospect and not one that is at this moment worth pursuing.

Pentagon: 'Withdraw the report!'

William H. Taft IV, Deputy Secretary of Defense, wrote this letter to Dr. John H. Gibbons, director of the OTA, on June 4:

On April 24, 1984 the Senate Foreign Relations Subcommittee on Arms Control, Oceans, International Operations, and Environment released a background paper prepared by Dr. Ashton Carter under the auspices of the Office of Technology Assessment. This paper, which I understand was neither reviewed nor approved by the Technology Assessment Board, contains serious technical errors. . . . In view of the serious errors of Dr. Carter's report, I ask that the Office of Technology Assessment withdraw the report. . . .

Gibbons replied:

. . . The main burden of your letter is the allegation that the paper "contains serious technical errors," as detailed in the document you enclosed. The OTA staff has reviewed these allegations and maintains that Dr. Carter's paper does not contain serious technical errors. . . . However, because of the extraordinary nature of your request that this paper be "formally withdrawn," I have asked several distinguished outsiders not associated with earlier reviews of Dr. Carter's paper to review his paper and your critique and to report back to me as soon as possible.

Taft to Gibbons, June 20:

We support your desire to have the issues regarding "Directed Energy Missile Defense in Space" reviewed by independent experts and offer to assist you in constituting the panel of experts. To assure credibility and independence of the panel, we suggest that your office consider nominations by this Department of experts believed to be qualified to serve on the panel, and that the identity of the panel members be made public after selection. . . .

It may prove useful for you and your staff . . . to consider some of the in-depth technical data upon which our comments were based. . . .

Taft provided for Gibbons's inspection the review by Los Alamos National Laboratory of the OTA report, which included the following summary conclusion:

The analysis in the OTA paper is technically flawed. When the errors are removed, the arguments lose most of their impact. . . . The OTA paper purports to demonstrate that the prospects for the SDI [Strategic Defense Initiative] are so remote that it is not worth executing. But the analysis provides no support for this conclusion, which must be viewed as essentially the personal opinion of the principal author of the report.

Gibbons to Taft, July 13:

. . . Because of the extraordinary nature of your request, and because of the very high importance which the Congress, the Technology Assessment Board, the OTA staff, and I all attach to the technical reliability of OTA's output, I took the unusual step of asking several distinguished outsiders to review the Background Paper and the critique which you enclosed with your letter. . . .

On the basis of the responses I have received from these reviewers, I have concluded that there are no technical errors or flawed assumptions that would seriously mislead either a lay or a technical reader. . . . While disagreements about details, analytical approaches, or the chances for success are inevitable in a complex subject where so much research remains to be done, the paper is a lucid, useful and generally reliable introduction to its subject.

Therefore, I do not believe it appropriate to withdraw the paper. . . .

Charles Townes, Professor of Physics at the University of California, Berkeley, and a Nobel Laureate, was one of the three independent experts enlisted by OTA's Taft to review the Carter report and the Los Alamos response. Questioned by EIR, Townes declined to comment on the Los Alamos report. Asked whether he had read the Los Alamos critique, he replied, "I think so."

Documentation

Reality refutes lies of anti-beam lobby

The Los Alamos National Laboratory's May 1984 report, "Comments on the OTA Paper on Directed Energy Missile Defense in Space," provides a point-by-point refutation of the lies and scientific frauds circulated by the arms-control lobby. We present here highlights of this debate.

Lie #1—'Soviets will use fake silos'

Bethe, Garwin, et al.:

. . . Many new missile silos could be constructed. Most of them could be comparatively inexpensive fakes arrayed in clusters about 1,000 kilometers across to exacerbate the satellites' absentee problem. The fake silos could house decoy ICBM's—boosters without expensive warheads or guidance packages—that would be indistinguishable from real ICBM's during boost phase. An attack could begin with a large proportion of decoys and shift to real ICBM's as the defense exhausted its weapons.

Reality: Los Alamos National Laboratory report, response to OTA's critique of beam defense, May 1984:

The booster decoys would have to be in fact very good decoys to fool launch sensors. They would have to have the same weight and thrust as the actual booster. They would have to fly credible trajectories and they would have to be launched from very credible facilities. After all, we can see the ground. Thus, we can tell which holes they come out of. That means that these systems would have to be put into highly credible silos and launched out of those silos with full control systems. . . .

In fact, there is no payoff for launching over a few minutes. To achieve some penetration payoff (against a beam defense) they would have to launch their ICBMs within a few seconds. Launching within a few seconds is painful both operationally and also because of the timing of the attack, where the payoff comes from massive simultaneous arrival (at targets all over North America), not with simultaneous launch.

Lie #2—'Soviets can protect their boosters'

Bethe, Garwin, et al.:

Booster protection could take different forms. A highly reflective coating kept clean during boost phase by a strippable

foil wrapping would greatly reduce the damaging effect of an incident laser beam. A hydraulic cooling system could protect the attacked region. Aside from shortening the boost phase the attacking nation could also equip each booster with a thin metallic sheet that could be unfurled at a high altitude to absorb and deflect an X-ray pulse.

Reality: Los Alamos report:

It is stated that there are a number of schemes to harden against x-rays. However, the most obvious and talked about schemes which the OTA gives are of *no* use by their own evaluation. They do not provide any useful decoupling of impulse from the target; they apply “virtually the same impulse as . . . direct impinging of x-rays.” It is stated that shields could be designed for deployment in the boost phase without significant penalty. That is not the case by the OTA’s own analyses. The x-ray laser is credited with the ability to shoot down to 80 km (48 miles), whereas atmospheric drag [against the booster—ed.] extends up to about 110 km (66 miles). Therefore, there is a significant window of vulnerability where they [the shields—ed.] cannot be deployed—and that is right where they are needed.

The discussion of shielding against neutral particle beams is technically incorrect. It is stated that a “few grams per square centimeter of lead” would provide adequate shielding. In fact 2 g/cm² amounts to only a few millimeters coating of lead. According to . . . the OTA Report, 250 MeV protons have ranges [i.e., can penetrate—ed.] about 400 millimeters in lead, which at a density of 11 g/cc gives about 44 g/cm² for effective shielding. Thus, the OTA Report underestimates the thickness and weight of lead by about a factor of 20. What this amounts to in practice is that shielding an instrument package roughly 1 meter in diameter with lead would take about a ton of shielding material, which is essentially the weight of all the reentry vehicles. Thus, far from being small, the weight penalty for direct shielding against neutral particle beams is overwhelming. Simply said, the direct approach of shielding is not useful against neutral particle beams at all.

It is stated that the booster can easily be made to withstand 10,000 joules/cm². That is a very strong statement, which is backed up by no data. The statement that this hardness could be tripled with additional [heat shield—ed.] material is purely theoretical. Spinning boosters is much easier to do on paper than it is in practice. Moreover, it is not clear what penalties [e.g., in precision guidance of the missile—ed.] would be associated with spinning a booster. Finally, for many of the engagements analyzed later, the kill times required are so short that there is not time for a single revolution. Therefore, hot-spot tracking would negate this effect. It is not clear that it would produce *any* further increases in hardening, let alone the factor of 3 quoted. The discussion of retrofitting hardening onto existing boosters is optimistic. Retrofitting tends to be a difficult problem; there is no firm estimate of the penalty in payload.

Lie #3—‘Testing is impossible’

Bethe, Garwin, et al.:

Realistic testing of the system as a whole is obviously impossible and would have to depend largely on computer simulation.

Reality: Dr. Lowell Wood, Lawrence Livermore National Laboratory:

The strategic defense systems created by each superpower and constituted of constellations of these platforms could be tested periodically and jointly during their erection, in order to build confidence in their correct and effective functioning, and in each other. Such joint exercises would also provide a convenient vehicle for attriting the inventory of offensive missiles, e.g., in mock attacks upon agreed-upon targets in the ocean.

The purpose of such deep space-based systems would be to guarantee defeat of a massive, salvo-type launch of ballistic missiles, whether launched from land or sea. They would obviously need to be supplemented by other types of strategic defense technology (e.g., popped-up systems) which would more effectively deal with “dribble launches” of a superpower’s strategic rocket forces.

Of the comments made here only one requires a response: the “impossibility of testing the defensive system from end to end in a realistic wartime setting.” For the area of command and control it is not. It is the one area in which the key computer and communication links can be properly stressed with synthesized data streams that are fed into the front end of the system—as is routinely done to test our existing strategic warning assets. Therefore, this one component can be tested both fully and realistically; the OTA has it exactly backwards.

Lie #4—‘Target is invisible at great distance’

Bethe, Garwin, et al.:

. . . Whichever weapon were used, however, this enormous range would make it virtually impossible to exploit the radiation from the booster’s flame to accurately fix an aim point on the target. The resolution of any optical instrument, whether it is an observing telescope or a beam-focusing mirror, is limited by the phenomenon of diffraction. The smallest spot on which a mirror can focus a beam has a diameter that depends on the wavelength of the radiation, the aperture of the instrument and the distance to the spot. . . .

Reality: Los Alamos report:

Apparently the OTA is unaware that it is possible to track objects actively to higher precision than the diffraction limit of the telescope. When one has adequate beam power for illumination, one can do signal processing to locate the object being tracked to a finer resolution than the beam width. This is called beam division; it is done routinely in the radiofre-

quency phased array radar systems for conventional ballistic missile defense. The physics is the same in the visible. Thus, it is not true that the laser telescope has to have either a separate mirror or one as large as the intercept mirror.

Lie #5—‘Too many beams would be required’

Ashton Carter, “Directed Energy Missile Defense in Space,” report for the Congressional Office of Technology Assessment (OTA), 1984:

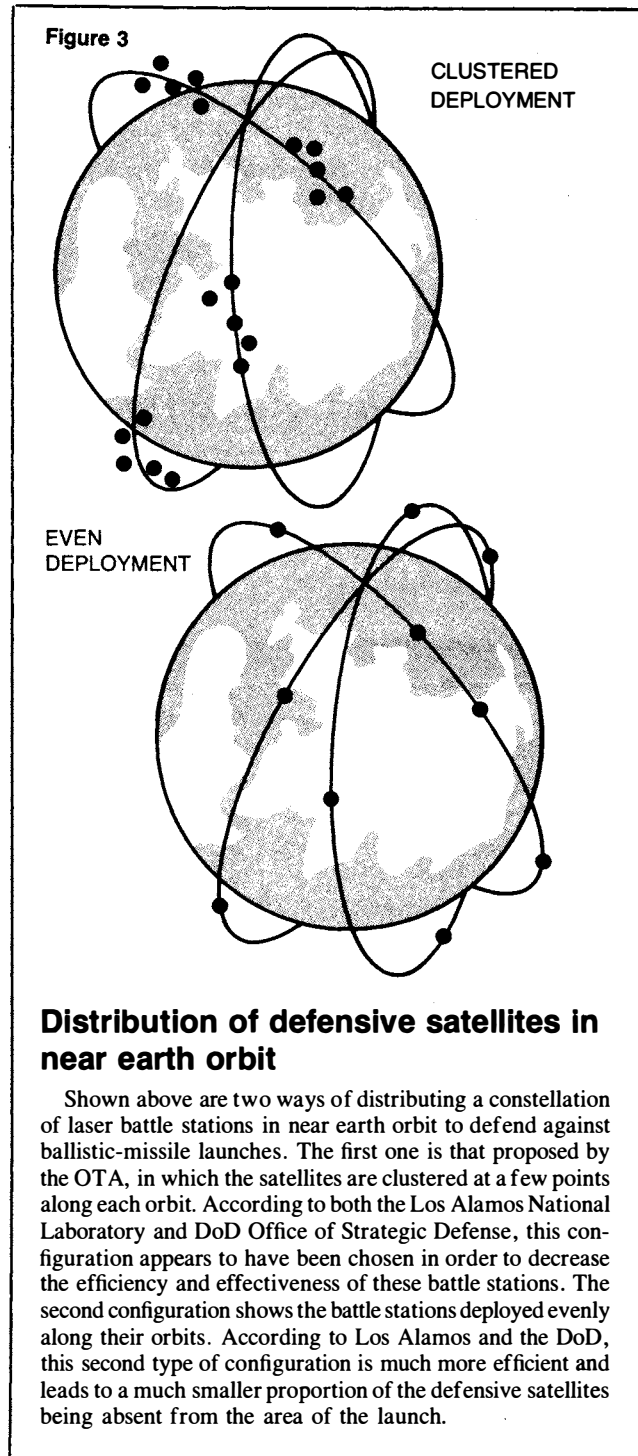
The U.S. would have to deploy an implausible system in which one laser or other directed energy weapon must be placed in orbit for every Soviet booster, in order to have enough laser stations within range of the Soviet launch sites at any given time of launch.

Reality: Los Alamos report:

This material is misleading. The problem is illustrated by Fig. 3.5 [referring to a figure in the OTA report; see *EIR*’s Figure 3 for a similar representation—ed.], which shows a constellation of hypothetical directed energy satellites with a 4,000 km (2400 mile) range. For the 4 orbital plane-8 position per plane configuration chosen, there are 32 satellite positions for coverage. In order to increase the number of satellites in orbit, the OTA simply increases the number of satellites at each one of those 32 points. Thus, to achieve a total of 160 battle stations they put five satellites at each one of the 32 points. This peculiar way of adding satellites to a constellation strongly distorts their subsequent results. . . . If instead, the additional satellites had been added *between* the satellites that were previously in the constellation, the average distance between satellites would have decreased significantly. The average range to the laser’s target would also decrease causing its kill rate to increase. . . . When the examples on pages 20 and 21 are corrected for uniform satellite deployment, a few hundred satellites, which are not particularly bright, can handle a significant . . . threat.

Reality: Lt. Gen. James Abrahamson, Director of the Strategic Defense Initiative, Aug. 8, 1984:

There is no way to avoid the absentees [beam weapons which are not within range of the Soviet ICBM fields at the time of launch of missiles—ed.], but they are by no means simply useless weapons. They could defend against submarine-launched missiles firing from anywhere else on the globe. Some forms of directed energy weapons can engage ICBM reentry vehicles in midcourse. Other forms can efficiently attack decoys in midcourse and either destroy the simple ones, or make it easier to identify the replica decoys and avoid expending midcourse interceptors against them. Those forms of directed energy weapons that can penetrate deep into the atmosphere may be equipped to engage aircraft . . . anywhere in the world.



Lie #6—‘X-Ray lasers can’t penetrate the atmosphere’

The Ashton Carter OTA Report claims that x-ray laser beams cannot penetrate the atmosphere for any significant distance from space, and therefore must wait until the booster is well out of the atmosphere to shoot at it. This argument is universally repeated by beam defense critics as a “law of nature.”

Reality: Dr. Lowell Wood, Lawrence Livermore National Laboratory:

No technically informed person has supported the assertion that x-ray laser beams cannot penetrate the earth's atmosphere sufficiently deeply to destroy the next century's ICBM's.

The Los Alamos report additionally cites experimental demonstration that x-ray beams can be made to penetrate down to 50 miles altitude (the earth's atmosphere extends up to 65-70 miles), and perhaps further.

Lie #7—'X-rays cannot be focussed by mirrors'

Carter, OTA report:

Since x-rays are not back-reflected by any kind of mirror, there is no way to direct the x-rays into a beam with optics like the visible and infrared lasers.

Reality: Los Alamos report:

That is incorrect. Experimental x-ray optics have actually been developed, which enable one to perform the same sort of optics with x-rays that are done at longer wavelengths. Since x-ray optics do exist—in contradiction to what the OTA assumes—their divergence limit for the beam . . . and their limit for its energy, are both incorrect.

Lie #8—'Disruption effects of beams are unknown'

Carter, OTA report:

Effects on electronics of neutral particle beams, particularly transient disruption of computer circuits, are poorly known, complicated, and specific to the target.

Reality: Los Alamos report:

Experience in the design and use of planetary probes by NASA has shown that those effects are very real, complicated in detail but simple in impact, universally encountered, and very difficult to overcome.

Lie #9—'Fast-burn boosters can't be intercepted'

Carter, OTA report:

The x-ray laser or neutral particle beam would stand no chance of intercepting a fast-burn booster (one which burns out while still in the atmosphere).

Reality: Los Alamos report:

The supposed fundamental limit on x-ray lasers is simply incorrect. . . . Neutral particle beams would have very high effectiveness against post-boost vehicles, which are heavily

dependent on electronics and can stand little interruption in their function, and on reentry vehicles, which are exposed for a very long time and very susceptible to particle beam effects in mid-course. . . . The OTA's own analysis actually supports the conclusion that particle beams of modest brightness could have a major capability against MX-like ICBMs. The neglect of the neutral particle beam's unique mid-course capability is a fatal omission from the OTA's analysis.

Lie #10—'Once the booster burns out, sensors won't find it'

Reality: Los Alamos report:

In fact there is no need to attempt the re-acquisition [as targets—ed.] of post-boost phase vehicles. If one is watching the boost phase, one can establish a track, which is handed over to the post-boost phase kill platform. Once it is established, maintenance of the track of post-boost vehicles is not stressing.

Lie #11—'Beam weapons can't defend against submarine-launched missiles'

Carter, OTA report:

A layered system optimized for ICBM defense could not necessarily handle the SLBMs (submarine-launched ballistic missiles) as well.

Reality: Los Alamos report:

A system that was configured to handle the full ICBM threat should in fact be *over*-designed by a wide margin to handle the SLBM threat, which is not concentrated either in space or in time. . . . "Beam weapons systems not over the Soviet Union," are in fact on station over those submarines, so there is no true absenteeism. It is stated that the SDI platforms would have less capability against SLBMs because of their short time of flight and depressed trajectories. Those are second order issues. They would have greater capability against those platforms because of their geographic dispersal and lower launch rates.

Lie #12—'There are other ways to deliver bombs'

Reality: Los Alamos report:

That BMD will not protect the U.S. from other means of delivery—is wrong. It is not true that the "technical problems of air defense are no better resolved." We do not mount air defenses today simply because they are useless, if they can be flattened by ICBMs. The assertion that there are alternative schemes such as "commercial air liners, ships, packing crates, and diplomatic pouches" is without merit. There are adequate techniques today for non-obtrusively monitoring the passage of nuclear materials in microscopic amounts, let alone the kilogram amounts in nuclear weapons.

The history of breakthroughs in ABM technology—testing and development

1958

Secretary of Defense Neil McElroy gives U.S. Army responsibility for development of antiballistic-missile systems and charters the new Defense Advanced Research Projects Agency (DARPA), with responsibility for research and development for antiballistic-missile systems.

DARPA launches Project Defender for development of a space-based ABM system to intercept ballistic missiles in their boost phase. Interceptors studied during the four year program include: lasers (invented in 1960), particle beams, and kinetic energy kill with high velocity pellets.

Soviet scientists discover “x-ray effect”—that x-rays from an H-bomb blast can disable ICBM warheads.

1960

Theodore Maiman of Hughes Aircraft Co. builds first laser.

April: U-2 photographs reveal ABM test system at Sary Shagan in Soviet central Asia.

1962

Soviet government publishes Marshal V. D. Sokolovskii’s *Military Strategy*, which states:

In our country the problem of eliminating rockets in flight has been successfully solved by Soviet science and technology. Thus the task of warding off strikes of enemy missiles has become quite possible. . . .

Possibilities are being studied for the use, against rockets, of a stream of high-speed neutrons as small detonators for the nuclear charge of the rocket, and the use of electromagnetic energy to destroy the rocket charge in the descent phase of the trajectory or to deflect it from its target. Various radiation, anti-gravity, and anti-matter systems, plasma (ball lightning), etc., are also being studied as a means of destroying rockets. Special attention is devoted to lasers (“death rays”); it is considered that in the future, any missile and satellite can be destroyed with powerful lasers.

This second paragraph is dropped from the 1968 and subsequent editions of Sokolovskii’s text.

U.S. Army Nike-Zeus program makes multiple successful

intercepts of ICBM warheads in 1962 and 1963.

1963

Soviets begin to deploy nationwide “Tallinn” air defense system, based on anti-missile-missile ABM system tested at Sary Shagan.

1964

Soviets deploy ABM system around Moscow with interceptor missile, given DoD code-name “Galosh.”

1968

Soviet scientist V. L. Tal’roze builds first pure hydrogen-fluoride chemical laser with a significantly greater efficiency than in the existing U.S. hydrogen-uranium-fluoride laser.

Soviets test first anti-satellite weapon in space.

1970

Soviet scientists B. I. Stepanov, E. V. Ivakin and A. S. Rubanov discover how to correct distorted laser beams via optical phase conjugation using “four wave mixing.”

1971

Soviet physicist V. G. Dudnikov and his team at the Nuclear Physics Institute in Novosibirsk invent a source for intense negative ions. This and subsequent research, reported the Rand Corporation in 1982, allows the Soviets to produce high-intensity, high-brightness, low-emittance negative ion beams for inertial confinement fusion and possibly exoatmospheric beam-weapon applications.

May: Rand Corporation reports on Soviet designs for an x-ray laser to be pumped by an electron beam.

Soviet ASAT system is declared operational.

Soviet Lebedev Institute reports first-ever generation of a 300 Gigawatt-power pulse from a high-energy laser.

1972

A laser pointing and tracking system developed in U.S. Air Force Project Eighth Card controls a laser beam sufficiently to burn a dime-sized hole through a target waved at the tip of a pole at one kilometer.

An Air Force system composed of a high-energy gas dynamic

laser and an on-gimbal telescope shoots down a drone aircraft at Kirtland AF Base in New Mexico.

1973

Rand Corporation report reviews Soviet work on application of electron beams to production of x-rays, notably the work of A. A. Rukhadze showing 1) that the deceleration of fast electrons results in conversion of 1 percent of their energy to x-rays; and 2) the possibility of producing x-ray lasers by exposing various gas media to high-current electron beams.

Academician Y. P. Velikhov publishes a design for pulsed energy production from a magnetohydrodynamic generator powered by thermonuclear explosives detonated in spherical chambers. There is evidence that such a device was built at the Soviet weapons testing facility at Semipalatinsk to power beam-weapon devices there.

1975

L. Wood and G. Chapline publish article on x-ray lasing in *Physics Today*. At Lawrence Livermore Lab, Wood begins campaign to develop nuclear-pumped x-ray laser.

1976

A high-energy electric laser mounted on the U.S. Army Mobile Test Unit destroys drone aircraft at the Redstone Arsenal in Alabama.

1977

P. Allison at Los Alamos National Lab constructs a negative ion source based on Dudnikov's 1971 work. The U.S. Army funds the program, known as "Sipapu," to develop the source for a neutral particle-beam accelerator weapon for a space-based ABM system.

1978

U.S. Army announces that with sufficient funding, the Sipapu neutral beam system would be ready for launching as an anti-satellite weapon between 1981 and 1983. The additional funding never comes.

U.S. Navy Sealite program successfully destroys TOW antitank missile with a chemical laser.

1980

Based on KH-11 reconnaissance satellite data, U.S. military intelligence detects a directed-energy weapon under construction since November 1979 at Sary Shagan. The device is powered by "magneto explosive generators," based on the work of A. I. Pavlovski. In 1982 the directed-energy device is identified as a pulse-powered iodine laser.

May 22: *New York Times* reports that the Soviets have developed a ground-based laser capable of "blinding" U.S. surveillance satellites.

December: First demonstration of nuclear-pumped x-ray laser

at Yucca Flats, Nevada.

1981

Reagan administration reviews suspected Soviet violations of the ABM Treaty. These include:

1) Production of the mobile ABM-X-3 antiballistic-missile system with the Flat Twin tracking and Pawn Shop missile guidance radars. The system includes the SH-04 and SH-08 ABM interceptor missiles, which have replaced the Galosh missile around Moscow. This system is reportedly stored in warehouses across the Soviet Union for rapid deployment in a breakout of the ABM Treaty.

2) Deployment of three potential ABM "battle-management" phased array radars at Kiev, Pechora, and Komsomolsk.

1982

February: In the *Proceedings* of the U.S. Naval Institute, it is reported that there is "mounting evidence that at their test site at Saryshagan in Kazakhstan [the Soviets] repeatedly have destroyed ballistic missile reentry vehicles using what is thought to be a high-energy iodine-pulsed laser prototype weapon." The Soviets are also reported to have developed a land-based high-powered laser capable of destroying drone aircraft.

The Soviet Union deploys the SA-10 surface-to-air missile in a system to intercept cruise missiles and the SA-12 tactical ABM system to intercept the Pershing II missile. The SA-12 also has the capability to intercept submarine-launched ballistic missiles.

1983

Feb. 10: U.S. Defense Department declassifies existence of the program to develop the nuclear pumped x-ray laser.

May: Scientists at Hughes Research Labs announce that they have succeeded in propagating a coherent laser beam through atmospheric turbulence.

June: Los Alamos Scientific Lab successfully fires the 20 kilojoule Krypton-Fluoride laser, considered a leading contender for a ground-based laser.

June 20: A U.S. Air Force KH-9 reconnaissance satellite photographs a fourth ABM "battle management" radar at Abalakova. This radar violates not only the intent but also the letter of the ABM Treaty.

1984

May: U.S. Air Force announces its Airborne Laser Laboratory has demonstrated ability to target and track Sidewinder missiles travelling at 2,000 mph, in five consecutive tests, and releases film of the test series.

June 11: A U.S. Army interceptor missile successfully destroys an ICBM warhead in its mid-course trajectory via physical impact in the Homing Overlay Experiment.

The Kra Canal

and the

Industrialization of Thailand

A Conference Sponsored by
The Communications Ministry of Thailand
The Fusion Energy Foundation, U.S.A.
Executive Intelligence Review Limited Partnership, Bangkok

Oct. 31–Nov. 1, 1984
Dusit Thani Hotel Bangkok, Thailand

Wednesday, October 31

- 9:00 a.m. Opening and Keynote Address**
His Excellency Minister Samak
Sundaravej, Minister of
Communications, Thailand
- 9:45 a.m. The Economic Feasibility of the Kra Canal**
Panel Chairman:
Dr. Chitti Wacharasindhu
Deputy Permanent Secretary of the
Communications Ministry of Thailand
- Panelists:
Dr. Nimit Nontapunthawat
Vice-President, Chief Economist, and
Manager, Economic and Marketing
Research Center, Bangkok Bank
Sattaporn Tavitanun
Deputy Secretary General of the Board
of Investments of the Office of Prime
Minister
Dr. Uwe Henke v. Parpart
Director of Research, Fusion Energy
Foundation
- 2:00 p.m. Advanced Technologies for Canal Construction**
Dr. Milo Nordyke
Lawrence Livermore Laboratories,
California
Harry Ekizian
T.A.M.S., New York
Pongpol Adireksarn
Member of Parliament, Thailand

Thursday, November 1

- 9:00 a.m. High-Technology Industrial Development in the Canal Zone**
Dr. Svasti Srisukh
Former Secretary General of the Office
of Atomic Energy for Peace, Thailand
Ramtanu Maitra
Editor, Fusion Asia
Douglas Headley
Engineering specialist, Pacific
Engineers and Constructors, Taiwan
- 2:00 p.m. International Policy—Regional Development and Cooperation**
Pakdee Tanapura
Fusion Energy Foundation, Thailand
Representatives from the nations of
ASEAN
Pacifco Castro
Deputy Foreign Minister of the
Philippines

Admission: \$50.00

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Schiller Institute: No to Kissinger's decoupling!

by Göran Haglund

One thousand people from 20 countries gathered in Wiesbaden, West Germany Sept. 21-23 for a conference of the Schiller Institute, unanimously adopting a resolution calling upon President Reagan and all European heads of state to take urgent steps to prevent the "decoupling" of Europe from the United States, to solve the economic crisis, and to oust the decouplers—like Henry Kissinger—from all positions of influence.

In her keynote speech to the conference, the Schiller Institute's founder and chairman Helga Zepp-LaRouche stated that mankind now faces a turning point, "at which borders are not only being drawn anew, but entire empires are supposed to be newly divided."

In the past several weeks, Mrs. Zepp-LaRouche emphasized, it has become clear that not only has an impressive list of Western celebrities attempted to prevent or disrupt the Schiller conference, including Kissinger's admirers in the U.S. State Department, the U.S. Bonn embassy, and the foreign ministry of Hans-Dietrich Genscher; the Kremlin, too, considers the Schiller Institute the most important threat to its own advanced plans for decoupling Western Europe from the United States, to the extent that "Moscow reportedly made it a condition of the forthcoming meeting between Reagan and Gromyko that the U.S. administration avoid any public association with the Schiller Institute!"

This counterorganizing was unable to prevent a strong, vibrant assembly from gathering to express its will. Since the previous conference of the Institute, in Arlington, Virginia on July 4, the new institution has begun to assume the role that Mrs. LaRouche outlined for it, when she proposed its formation in January of this year: to become a policy-making body for European-American relations that will replace the Council on Foreign Relations, Aspen Institute, and similar

think tanks of the Liberal Establishment. Each of those corrupt institutions is currently actively involved in promoting the Soviet-sponsored decoupling of the Western alliance. The Schiller Institute is fast becoming the magnet that can draw patriotic supporters of the alliance together, to debate and implement policies in the interests of the allied countries. The resolutions approved at the Wiesbaden conference marked a definite step in that direction.

The presence of a 110-person American delegation had a great impact on the Europeans present. These Americans are from all walks of life; many of them are citizen candidates, activists in the grass-roots political movement of Lyndon LaRouche. Many had never been to Europe before. They came to demonstrate, as former Manhattan Borough President Hulan Jack declared in his speech to the gathering: "We are here in your hour of need to assure you that we will stand firm with our unflinching support. The people of the United States will not let the hounds of tyranny ever conquer or debase the freedom of our allies in Europe."

The Americans, in turn, could see first-hand the commitment of patriotic Europeans to the alliance with the United States and to the principles of the American Revolution.

The conference began with the American contingent—"The Benjamin Franklin Brigade"—leading a parade of delegations carrying flags from the United States, Canada, Italy, France, Portugal, Great Britain, Scandinavia, and the Federal Republic of Germany. The participants marched in to present some 500,000 signatures collected on three continents to "Save the Western Alliance, Destroy Henry Kissinger!"

In her address to the conference, Mrs. LaRouche described the "New Yalta" deal between Kissinger's sponsors and the Moscow of the "Third Rome." It is being imple-

mented right now, she said. McGeorge Bundy and Vernon Walters have signaled to the Soviet Union that they are ready to sacrifice West Germany. They are talking about an American troop withdrawal from West Germany, while in the age of "Mutual Assured Destruction," the presence of these American soldiers and their families is the only real deterrence against a Soviet attack.

'The alliance hangs by a thread'

President Reagan is paralyzed by his palace guard, the whole U.S. decision-making process is paralyzed because of the elections. Kissinger is getting ready to assume a major post in the new administration. "The alliance hangs on a silk thread." Look at Europe, she said. U.S.-French relations are strained; in Italy Andreotti is putting out the language of Pravda against "German revanchism."

The Soviets know that their "revanchism" campaign against West Germany is pure lying. If they really wanted to hurt the Bonn government, they would call it "mediocre, impotent," she said. Moscow's intentions are clear. During the détente period, they built up strategic superiority; now they are putting their economy on war mobilization. To conquer Germany has always been the aim of the Russian rulers. They want to get hold of the German industrial potential as the key stepping-stone to world domination.

Zepp-LaRouche described how the world would look 30 to 50 years from now, if this Russian plot should succeed.

A world without Judeo-Christian civilization would be a sorrowful place to live in, she emphasized. The problem is the spread of Gnostic cults in the Western elites and populations today. Gnosticism makes the people blind; they don't realize what they have to lose because they don't know their own culture.

That's why Schiller is so important today. He knew all the tricks of the Gnostic elites, and dealt with them in his writings. Schiller once said that "the building of political freedom is the greatest work of art." The refinement of the individual soul, together with personal freedom, is the key to achieving political freedom. This concept of the divine spark in the individual soul, the *fliioque*, is exclusive to the Judeo-Christian tradition, which is absolutely opposed to any "collectivism" or collective souls. She quoted from Schiller's *The Robbers*, *Don Carlos*, *The Maid of Orleans*, and *Wilhelm Tell* to give a sensuous idea of Schiller's boundless love for truth and freedom.

The decouplers deny this great German culture. But this culture was essential for the birth and the development of the United States. Zepp-LaRouche proved with a few key historical examples how the British oligarchy's project to reconquer the United States was based on the prior destruction—in the last century—of the dominant German cultural influence in America. As late as 1894, a Chicago professor proudly exclaimed that the American elite was trained in German universities, spoke German, and was immersed in classical German culture.

The real task of the Schiller Institute, she said, is to renew the German-American tradition of Schiller, and beyond that, to create a new cultural renaissance. The next big project is to celebrate Friedrich Schiller's 225th birthday on Nov. 10 with the greatest international Schiller Fest since 1859.

Mrs. LaRouche quoted an American scholar of the last century who said: "Why shouldn't the United States become an intellectual Greater Greece?" The Schiller Institute will see to it that this happens.

This spirit was embodied at the conference in a series of musical and theatrical presentations, including a concert featuring works by Mozart, Beethoven, and Donizetti, an evening of recitation of great Schiller poems by the Munich actor Ludwig Haas, and the world premiere of a film about the life and work of Friedrich Schiller, newly produced by the Schiller Institute.

Helga Zepp-LaRouche laid out a six-point agenda for action, which was adopted by the conference:

- To spread the appeal to President Reagan and other heads of state and other conference resolutions to all media

The conference resolution

The conference resolved to send the following appeal to President Reagan and European heads of state:

The participants in the Second International Conference of the Schiller Institute in Wiesbaden emphatically pledge themselves to fight for the upholding of the Western Alliance, as the only guarantee of Western European culture of the last 2,500 years, and to build a powerful opposition movement to the so-called peace movement and decoupling tendencies. We pledge ourselves to bring the high ideals of the American Revolution and the German Classics to a new Renaissance, and from this starting-point, to base relations among all nations on republican principles. We appeal to President Reagan and all European heads of state to undertake the steps toward rescuing the Western Alliance identified by the Schiller Institute, including among other things the collective implementation of the Strategic Defense Initiative on a crash basis, and a just economic world order, which will make possible the industrialization of the developing sector.

We appeal especially to President Reagan not to employ in his second administration any of the persons who are promoting decoupling, above all not Henry Kissinger. Long live the Western Alliance and the humanistic ideal of humanity!

throughout the entire world;

- To counter the vile slander against the conference published in the *Wiesbadener Kurier*, attempting to link the attendees to the neo-Nazi Wehrsportgruppe Hoffmann;

- To organize world-wide Schiller festivals on Nov. 10 to celebrate the 225th birthday of Friedrich Schiller;

- To expand the "telephone tree" briefing networks, initiated by Mrs. LaRouche in August, to make it possible to deliver briefings and marching orders to tens of thousands of Institute supporters within hours;

- To expand the work and influence of the Schiller Institute, culminating in another international conference to be held on or about Nov. 20 in Washington, D.C. This third international conference of the Schiller Institute should aim at doubling the number of participants, and bringing a 500-person European delegation—already named "The Friedrich List Brigade."

The international delegations

The two-day conference included presentations on defense policy, culture, economic development, and science, by participants from around the world. In order of presentation, the following individuals contributed: Hartmut Cramer, chairman of the European Labor Party in the West German state of North-Rhine Westphalia; Will Wertz of the Schiller Institute in New York; *EIR* counterintelligence specialist Paul Goldstein; Dr. Henryk Olesiak, a Polish exile living in Düsseldorf; Angelika Raimondi, a Schiller Institute Board Member; *EIR*'s European Executive Director Michael Liebig; French Col. (ret.) Marc Geneste, who has been called the father of the French neutron bomb; U.S. Col. (ret.) Alfred Michaud, a former national councilman of the Reserve Officers Association; Gen. (ret.) Wilhelm Kuntner, former Deputy Commander of the Austrian Armed Forces; Gen. (ret.) Giulio Macri, formerly the ranking Italian officer at SHAPE headquarters of NATO; Vice Admiral (ret.) Karl-Adolf Zenker, the former chief commander of the West German Navy; Col. Mario Davite, a manager of the Italian "Military News Agency"; Robert Becker of the Reichsbanner German resistance organization; Estonian exile leader Olev Ruuben; Swedish lawyer Lennart Hane; the former national chairman of the Swedish Transport Workers' Union; Uwe Friesecke, head of the Africa Commission of the Club of Life; former Manhattan Borough President Hulan Jack; Giuseppe Puglia, national secretary of Italy's FAISA CISAL trade union; former Peruvian Labor Minister Dr. Antonio Pinilla; Dr. Meir Pa'il, a retired colonel and former member of the Israeli Knesset; Fiorella Operto, secretary general of the European Labor Party in Italy; Webster Tarpley, a foreign policy adviser to Lyndon LaRouche; Dr. Jonathan Tennenbaum, chairman of the West German Fusion Energy Foundation; chief librarian of the Lower Saxony State Library, Dr. Reimar Eck; Dr. Karin Reich, a Stuttgart mathematician; and Dr. David Flinchbaugh, an American aerospace specialist.

Maritime aspects of

by Vice-Admiral (ret.) Karl Adolf Zenker

The Western Alliance is faced with an immediate threat of a dual nature: "from the outside" by a military confrontation with the Soviet Union; "from within" by those who would decouple Western Europe from the United States.

In the spring of 1983, Russia committed itself to seek a military confrontation with the West. This confrontation strategy was the Soviet response to President Reagan's offer to negotiate on development of new means of strategic defense. Apparently, the Russian leaders decided that the emerging capability of the United States to neutralize, by means of directed-energy technologies (beam weapons and neutron weapons), the nuclear and conventional assault-superiority that the Russians have built up over a period of decades, would force them to act quickly to secure world domination, before the "window of vulnerability" closed.

Since the fall of 1983, the Soviet Union has continuously and systematically escalated its steps toward confrontation. This has not gone unnoticed by experienced military officers in the United States and Western Europe.

Among the speakers at the second international Schiller Institute conference were six ranking military officers who elaborated the Soviet military threat and expressed their support for the work of the Schiller Institute: French Col. Marc Geneste, who has been called the father of the French neutron bomb; U.S. Col. Alfred Michaud, a former national councilman of the Reserve Officers Association; Gen. (ret.) Wilhelm Kuntner, former Deputy Commander of the Austrian Armed Forces; Gen. Giulio Macri, formerly the ranking Italian officer at SHAPE headquarters of NATO; Col. Mario Davite, a manager of the Italian Military News Agency; and Vice Admiral (ret.) Karl-Adolf Zenker, the former chief commander of the West German Navy. Admiral Zenker identified the need for the West to embark on a maritime building program comprising both merchant and military fleets in his presentation, printed below.

If one examines the strategic situation of the free world, as representatives of the Schiller Institute are doing at the conference in Wiesbaden, maritime features cannot be left out of account, although there is a strong tendency to do so among those who have had wars primarily with their immediate neighbors, because these are usually land wars, which

the strategic situation of the Free World

encourage a continental thinking. Even in such conflicts, unimpeded access to sea lanes has often been an essential contribution to the outcome of the war, and blockades against the adversary, or adversary blockages, have often led to the success or failure of the efforts of war. History provides numerous examples of this—in the modern period, there were the Napoleonic wars, as well as the two world wars of this century.

The most energy-efficient form of transport

Since men have been able to construct ships of sufficient carrying capacity, they have used the sea to provide them access to areas of the world that they could not reach over land. Secure use of sea lanes enabled them to carry on imports and exports with foreign countries, as well as to assert their military policies in these countries, whether by means of direct effect upon the coasts of the adversary, or by combatting the adversary's fleet. Maintenance of sea connections for reinforcement or supply of raw materials can be of vital importance for nations that are not autarkical.

Furthermore, the sea is the medium of transport where the ratio of energy-expenditure to volume of goods transported is the most favorable. This feature of sea transport has not changed with modern technology, with large-volume transportation by air or in outer space. In other transport media, a larger share of energy is used to move goods than by ship, because ships carry volumes several times larger than aircraft or spacecraft. With all due caution, this situation is likely to remain in force for the foreseeable future, since it has become possible to construct ships larger and larger, with sufficient safety, and since the possible development of new sources of power would likely be applied to all modes of transportation in similar ways. Maritime transport does have the disadvantage, in comparison to more modern modes of transport, that more time is required to fulfill a transport mission, which has already led to a shift of passenger traffic from ships to aircraft. Bulk freight, nevertheless—and raw material and other heavy goods transportation is essentially bulk freight—will still rely on the sea lanes for the foreseeable future. Freedom of the seas is, therefore, of essential importance for the people of the free world, who cannot be supplied with these goods by land.

The alliances of the free world have the common feature that they can only be held together if the maritime connections between their member states are not broken. This is especially evident in the case of NATO, whose headquarters are located on both sides of the Atlantic Ocean. NATO has no "internal line," which would assure an unhindered transportation over land. The same holds for the relationship between the U.S.A. and Japan, where their strategic cooperation depends upon control over the Pacific Ocean.

Neither Europe nor Japan has sufficient resources within its own geographical areas to supply its population with the necessary commodities and keep its economy running; both of these factors, however, are essential for maintaining social peace and the entirety of the economic system. For this reason, maintaining secure sea lanes between these regions and America, and the unhindered use of the sea lanes of the Persian Gulf, in the Indian Ocean and its peripheral waters, as well as around Africa, are vital for the free world.

The situation for the populations of the East Bloc is quite different. All these countries are immediate neighbors of each other, and they are each accessible to each other at any time over land. Within the immense land mass that comprises their territory, they have nearly all of the raw materials that they need, in adequate volumes—any sources have by no means been exhausted, and there are presumably far more as yet untouched, not even discovered. The East bloc therefore enjoys the advantage of the "internal line," as it does not depend upon the seas to exist, or, in times of emergency, to survive.

Soviet sea-power: characteristics and objectives

If the East bloc, nevertheless, has engaged in an intensive development of maritime capabilities, the East is obviously pursuing goals far different from those of the West, for which free access to the seas is of vital importance. The strong maritime efforts of the East, which go far beyond that necessary for a purely coastal defense and defense against nuclear missile carrying vessels at sea, have a clearly offensive character. Admiral Gorschkov, Supreme Commander of the Soviet Navy for many years, has spoken of the aim of the Russian fleet, in several of his many writings, as being to

make itself felt upon all the seas of the world, and he has asserted that domination over the peripheral seas of the great oceans is the indispensable prerequisite to this end. That Gorskov means this seriously is shown by the permanent presence of a unit of the Soviet fleet in the Mediterranean Sea, which is attempting, with increasing success, to turn the countries on the north coast of Africa into a Soviet zone of influence.

In evaluations of Soviet naval armaments, it is not sufficient to add the numbers of individual ships of various types, and compare these numbers to the Western naval forces. One must take into account that the advantage of the "internal line" enjoyed by land forces is simultaneously a significant disadvantage for naval forces. The bases of naval forces do not lie on the large world oceans, but rather on the peripheral seas, the Barent Sea, the Baltic Sea, the Black Sea, and the Japanese Sea. These bases, therefore, can not be linked with each other without long marches over the oceans where, at the same time, the naval forces of the adversary are also present, capable of interdicting them. The result is that the four partial-fleets must possess all of the required types of ships necessary to fulfill their missions, and therefore the number of the units on the whole must be larger than would be the case under more favorable geographical conditions. Thus, if the totality of the Soviets' naval forces drew equal with those of the West, that would still not mean that the Soviets would be equally strong, because their unification into one area of operations is not possible. For that reason, there is no reason for the free world to panic because of the Russian maritime efforts, even though parts of the modern Soviet fleet can exert considerable influence upon the freedom of the sea lanes.

Changes in the dislocation of individual parts of the fleet, i.e., shifts of forces into certain areas or withdrawal from home bases, can be indications of power political intentions. For that reason, such movements in the peripheral seas to the West are carefully and continuously observed, and carefully evaluated, to be able to adopt counter measures in time if necessary.

The tasks that the Soviet leadership sets for its navy—for its military as well as merchant navy—clearly show that they are holding firm to the goal of proliferating the Marxist-Leninist system throughout the world. Negotiations on issues like so-called peaceful coexistence and economic cooperation among different social systems are merely tactical maneuvers to divert attention from their true intentions.

The military navy has the mission, in peace time, of providing aid for the establishment and stabilization of communist regimes located on the sea, wherever these states will accept such aid—the best known example is Cuba. This does bring the U.S.S.R. into a bit of a conflict with its own theory of anti-colonialism, since according to that theory the U.S.S.R. ought not to maintain bases on foreign territory. The U.S.S.R. has found an elegant solution, however, to

circumvent this difficulty. They build ports and docking facilities, and equip them with the same equipment used by their own armed forces, and then they send a large number of specialists as instructors. The recipient of such aid is thereby forced to use Soviet materiel in its own armed forces, and then, in case of a conflict, the Soviets have the materiel for use of their own forces in place, and can also rely on personnel familiar with its materiel there on the spot. The presence of the Soviet fleet upon all the seas of the world, and its high technological standard, is supposed to impress foreign populations and make them more malleable for Soviet political designs. This tactic has clearly been quite successful in a number of places.

The obvious task of the Soviet navy in wartime is to sever the maritime connections among the nations of the West, to employ their submarines, that are difficult to locate, to exert an immediate threat against the territory of the adversary, and thus to maintain a second strike capability should their intercontinental missiles be knocked out, as well as to destroy Western armed forces, and to prevent them from securing the sea lanes of the alliance, or from bringing nuclear missile carrying units into firing positions from which they are capable of reaching the territory of the East bloc.

The merchant marine, of course, has other tasks. But its activities, too, promote the grand plan of Soviet world domination. The ships of the merchant marine, first of all, earn foreign exchange, which makes it possible for the East bloc to pay for the imports it urgently requires because of the inefficiency of its own economic system. The East has to buy far more than just food, but also technical equipment and scientific knowledge in the West. Maritime trade is a perfect instrument to this end, as indicated, for example, by the passenger ships that the Soviets have bought from all over the world, carrying almost exclusively non-Russian passengers on their cruises—passengers that pay, naturally, in hard foreign currencies.

Soviet merchant ships, run by state-owned shipping companies, which therefore need not operate at a profit, and are subsidized, are driving other shipping lines out of business, by offering dumping prices that ruin shipping lines that depend on the earnings of its owners. The Soviets are creating a dependency of other populations on their tonnage which would necessarily lead to the collapse of maritime transport if the Soviet leadership orders the Soviet merchant fleet to no longer offer its services. Governments in the free West have to counter this danger by maintaining their own shipping lines.

Evaluation of the naval strategic situation on the whole shows that the use of the oceans for shipping by the free West is indeed threatened by activities of the U.S.S.R. There is still no reason for the West to fall into resignation, as long as the West does not neglect its own efforts to strengthen its military navy as well as its merchant marine. The dictum holds here too that vigilance is the price of freedom.

Reagan administration supports the Nazi-Communist alliance in Mexico

by Lyndon H. LaRouche, Jr.

The following is a press release issued by Independent Democratic presidential candidate Lyndon LaRouche on Sept. 25, 1984. We reprint it here in full.

During the past week, a major diplomatic crisis has been exploded in the relations between the United States and Mexico. On the surface, the cause of this crisis is escalated open support for the Nazi Party of Mexico, the National Action Party (PAN), by U.S. Ambassador John Gavin. However, the recent sharp deterioration in relations between the two governments is not caused merely by the public statements and actions of Ambassador John Gavin; it is the factually based perception of leading political circles in Mexico that the use of the PAN to destabilize Mexico is currently the official policy of practice of the U.S. government.

The PAN, headed by the still virulently anti-Semitic former Mexican Nazi, Jose Conchello, has been in a close alliance with the Communist party of Mexico, the PSUM, and Conchello is himself an asset of the Soviet KGB and Cuban DGI, according to information received from highest levels of foreign diplomatic sources. Additionally, Mexican government agencies have proven that the centers of both drug-trafficking and deployment of terrorists into the United States by way of Mexico is conduited through border regions in northern Mexico which are under joint control of the PAN and PSUM.

Yet, the U.S. government openly supports the PAN against the government of the Republic of Mexico. Officials of the PAN were also honored guests of the recent Republican convention in Dallas, Texas, and Republican officials have declared that their Party is also supporting the PAN's efforts inside Mexico.

Mexican official reactions to these actions by the Reagan administration must be seen in the light of publicized statements made in March 1984 by Gen. Paul Gorman, the Henry A. Kissinger-linked commander of U.S. forces in the Mexico-Central America command. Gorman is typical of the Kissinger-linked circles within the U.S. government which are campaigning for a U.S. military operation in Central America following the Nov. 6, 1984 U.S. general election.

The manifest policies of the Reagan administration to-

“The incompetence of the McFarlane NSC on the issues of Mexico and Central America is even far worse than the Reagan administration’s wishful adoption of the myth that the ‘Soviet Empire’ is crumbling.”

ward Mexico on these matters must be fairly described as “strategically, clinically insane,” and must also be viewed as representing the worst instance of complete breakdown in the intelligence functions of Robert “Bud” McFarlane’s National Security Council. The incompetence of the McFarlane NSC on the issues of Mexico and Central America is even far worse than the Reagan administration’s wishful adoption of the myth that the “Soviet Empire” is crumbling.

Reagan falls for Soviet strategic trap

The principal among the immediate, short-term strategic objectives of the Soviet government is to bring West Germany into the Soviet sphere of political influence by early 1985. The Soviet government is working to accomplish this result through a combination of means, including the means of luring the United States into a “new Vietnam War” in the Central America region.

The combined means being employed by the Soviet government include the following:

1) *Operations through the “northern European,” or “Brandt-Palme” wing of the Socialist International.* The instant the fumbling West Germany government of Chancellor Helmut Kohl is collapsed—which could be accomplished by the Liberal coalition-partner of that government on almost any day of its choice—West Germany is taken over by the Social-Democratic coalition with the Green Party. At that point, West Germany is decoupled from the U.S.A. alliance,

and begins to fall rapidly into the Soviet sphere of political influence.

Under those conditions, the entirety of continental Western Europe—and its agro-industrial potential—falls quickly into the Soviet sphere of strategic influence. It is the Anglo-American “empire,” not the Soviet empire, which is presently crumbling from within.

2) *Massive Soviet military threats against the Western portion of Central Europe, Europe and Austria most emphatically.* During recent command and control exercises by the Soviet bloc’s military, the Soviet command has reduced the lead-time for launching a nuclear blitzkrieg into West Germany from several days to several hours. Only the deployment of MX missiles, increased deployment of Pershing IIs, and tactical “neutron bomb” capabilities into Germany by the U.S.A. could cope militarily with such a threat.

As a result of this accelerated Soviet military threat, West German officials are walking around with the seat of their trousers filled with fear.

3) *Soviet orchestration of both the “Nuclear Freeze” movement of Walter F. Mondale et al., and promotion of a U.S. withdrawal of some military forces from Europe for the purpose of conducting military actions in Central America.*

The “Nuclear Freeze” movement was launched at a Soviet KGB “international peace conference” held in Moscow during early May 1982. This was conducted into Catholic circles through aid of members of the CERN-linked Pontifical Academy of Science, by Walter Mondale’s adoption of this Soviet-dictated policy during a Minneapolis conference of May 24–26, 1983, and by official adoption of this same Soviet-dictated policy by Democratic National Chairman Charles Manatt at a Washington, D.C. press conference of September 20, 1983.

The proposal that the U.S.A. proceed with a military operation to overthrow the present, Jesuit government of Nicaragua was first made publicly by the late Soviet President Yuri Andropov in a major interview given to Rudolf Augstein, the publisher of West Germany’s “Time” magazine, *Der Spiegel*, during April 1983. The present government of Nicaragua was created by the “Liberation Theology” faction of the Society of Jesus, which controls that government top-down to the present date. During 1978, the Society of Jesus in Central America entered into a pact with Cuba’s Fidel Castro. During 1980, the Soviet official press revealed the Soviet agreements reached with the Jesuit “Liberation Theologists.”

Acting through Bulgarian-Cuban cooperation with the Gnostics of Venezuela, Colombia, and Peru, and the Nazi International, the Soviet KGB finances its expendable operations and agents in the Caribbean region through profits of drug-trafficking revenues ultimately collected in the streets of the United States and Western Europe, as part of the same Bulgaria-centered international guns-for-drugs traffic used to aid the deployment of the would-be Papal assassin, Ali Agca.

The function of these operations is to lure U.S. military forces into operations in the Caribbean, and away from Europe.

The most probable timing of a limited Soviet military operation against western Central Europe would be the point at which the U.S. draws forces down in Europe in support of a U.S. military operation in the Caribbean region—at almost any time after Nov. 6, 1984, if President Reagan is reelected and the present policy-outlook of “Kissinger clones” in the NSC and military continues to prevail.

Therefore, if the Reagan administration continues its



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present direction of Caribbean policy, the Soviet sphere of influence will be extended into Western continental Europe by no later than the first half of 1985. Then, it will be seen that it is the Anglo-American “empire,” not the Soviet empire, which is crumbling.

The dossier on the PAN

The massive strategic-intelligence failure by the United States’ National Security Council in Central and South America would not have been possible except for the destruction of U.S. intelligence capabilities in that region effected during and following World War II. The FBI’s takeover of Latin American intelligence, in conjunction with British SIS’s SOE, and the misdirection of U.S. intelligence by the pro-Nazi Dulles brothers during the 1950s caused the suppression of

the excellent earlier work of the United States' military-intelligence arms. U.S. military-intelligence's Latin American files from the 1920s through the World War II period are still, to the present day, a gold mine of accurate knowledge on such subjects as the Mexican PAN. If these files had not been effectively disregarded by the National Security Council, the present Reagan administration blunders in the Caribbean region would not have been possible.

Notably, since my associates and I recently began publishing the evidence from U.S. military-intelligence files in the U.S. National Archive, some of the most critical of those files have "mysteriously" disappeared! There is also positive evidence of U.S. State Department tampering with some of those files. Most of the thefts and tampering discovered recently have been consistently of a type which tends to cover up the Nazi origins and character of the Mexican National Action Party (PAN).

Our information on the PAN has been compiled by study of principally three main lines of investigations:

1) *A continuing investigation of the organization which the New Orleans District Attorney's office exposed as linked to the preparation of the assassination of President John F. Kennedy.*

That organization was known as Permindex (Permanent Industrial Expositions, Inc.), headed by the Canadian former personnel consultant to the FBI's Division V, Major (ret.) Louis M. Bloomfield, of Montreal, Canada. With aid of European and other intelligence agencies, and by acquisition of holographic records of the Rome section of Permindex, we were able to prove the connections between the assassination of President Kennedy and the repeated attempted assassinations of France's President Charles de Gaulle during that same period. In other words, a connection between Jean de Menil's (of Houston, Texas) Permindex and the OAS of Georges Bidault and Jacques Soustelle. Menil and Soustelle's former teacher, Paul Rivet, were associated with Soustelle in operations in the Latin American region during the 1930s and early 1940s, including a penetration of high levels of the Free French organization.

2) *U.S. military-intelligence and other files on the so-called Synarchist International.*

This investigation was prompted by the current activities of the terrorist organization, the "Sendero Luminoso of Jose Carlos Mariategui" in Peru, Bolivia, Colombia, and Argentina. Jose Carlos Mariategui was formerly head of the Communist Party of Peru, and was a part of those Nazi-linked Communist International operations which today are coordinated by Soviet officials Primakov and Serge Mikoyan. The operations of Sendero Luminoso are integrated with the Nazi International's control of the international cocaine traffic out of Bolivia, Peru, and Colombia. The creation of the Sendero Luminoso terrorists was conducted by French ethnologists associated with Paul Rivet and Jacques Soustelle, through the Paris-linked University of Huamanga in Ayachu-

cho, Peru, and the present leaders of the Sendero Luminoso terrorists are fluently French-speaking.

U.S. military-intelligence files from the 1920s through the early 1940s are of great importance in pulling together the essential background of anti-U.S.A. operations of the Soviet KGB through the Sendero Luminoso, PAN, and other channels in Ibero-America today. The key is the U.S. intelligence attention then to the phenomenon classified in those files as "Synarchist International: Nazi/Communist." With aid of those U.S. intelligence records, we are able to reach

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absolutely secure judgments on the pre-history and history of the Synarchist International and that International's links to both the Nazis and the Soviet intelligence services back to as early as approximately 1862!

We have been helped greatly in this work of investigation by our intimate knowledge of the internal life and history of Mexico, Colombia, Peru, and Argentina, and our collaboration with leading patriotic circles of those nations. For example, we know the PAN, and the PAN's collaboration with the Communist party (PSUM) of Mexico, intimately and directly from on the ground inside Mexico itself; we know the drug-trafficking connections of both the PAN and PSUM, the Jesuit-Soviet collaboration in Central America, and the drug-trafficking connections of the Soviet, Bulgarian, and Cuban intelligence services to the Gnostics, the Nazi International, and the PAN-PSUM complex, also intimately from on-the-ground investigations, as we know intimately the Switzerland-based Nazi International's connections to Middle East and other terrorist and "integrist" insurgencies from on the ground in Europe.

3) *Our in-depth studies, since 1977, of the international drug-trafficking "cartel," as first documented comprehensively in the 1978 book, Dope, Inc.*

Synarchism (Sinarquismo) is nominally, chiefly, an outgrowth of the 19th-century Carlist insurgency in Spain. How-

ever, like that Carlist movement, Synarchism is a creation of a complex of forces centered in the wealthy families of a Genoa which has been partner of Venice since developments in the Balkan-Russian area of the 13th through 15th centuries. The principal control point for Synarchism has been and continues to be the wealthy financier families of French-speaking Switzerland and those families' influence within France itself. From Genoa, Switzerland, and Paris, the connection into Ibero-America ("Latin America") runs through the circles of the Venice royal family of Portugal (the Breganzas) into Brazil via Portugal, and into Spanish-speaking America via Brazil and the Carlist movement of Spain (including the so-called Basque separatist movement, which is actually merely a branch of the Spanish Carlist movement). The Russian intelligence connection to the Synarchist International dates from Okhrana links as early as Paris, 1862. Soviet access to the inside of Synarchism dates from Chekist takeover of the London-based London-Paris apparatus of the Okhrana networks, during the earliest 1920s.

The Russian connections operating into the Iberian peninsula and "Latin America" today, date from even much earlier times, through the long-standing connection of the Czarist Okhrana to the Venice-Genoa-Switzerland financial families during the time of Catharine II of Russia (and Potemkin and the Orlov brothers). The modern form of that Russian connection via Switzerland was established by the Venetian appointed Russia's foreign minister, Count Capodistria, during the period of the Napoleonic wars and the 1815 Congress of Vienna. Soviet policy governing Soviet intelligence operations in Spain and "Latin America" was laid down at the 1920 Baku Conference of the Communist International; it is that Soviet policy which underlies the fascist (Synarchist) connections of the founder of the Sendero Luminoso terrorists, the Peruvian Communist Party leader Mariategui, a policy continued under the direction of such present-day Soviet officials as Primakov and Mikoyan.

The most deadly of the Soviet links into these Synarchist operations in "Latin America" during the past and the present is the link of the powerful Soviet-Bulgarian Gnostic factions to the avowed Gnostics of "Latin America" and to the equally Gnostic Nazi International. It must be remembered that the Nazi Party was created by the Thule Society of Bavaria and Austria. The Thule Society of the royal Wittelsbach household of Bavaria, of the Thurn und Taxis family, and of Houston Chamberlain, Professor Karl Haushofer, Rudolf Hess, Heinrich Himmler, Alfred Rosenberg, and Austrian Gnostic Adolf Hitler, was an avowedly Gnostic cult, which modelled its theology on that of the Sufi Templar Order's Cathar cult—as did Richard Wagner's notorious Catharist music-dramas.

Although the Mexican PAN is nominally "Cristero" (a pseudo-Christian pro-feudalist cult), the adopted political ideology of the Cristero movement was cultist and fascist from the beginning, and during the late 1930s and early 1940s avowedly pro-Nazi. Within Mexico's history, the PAN is

rooted in the wealthy land-owners allied to the Hapsburg family of Maximilian and Carlotta, the deadly opposition to both President Benito Juárez—and the United States—during the 1860s. This was also the political faction within Mexico used by German intelligence since as early as the 1890s against the United States. This element of Mexican society was behind the bandit Pancho Villa, and Villa's deployment in raids into the United States prior to the U.S. entry into World War I. (To understand the Mexican feudalist faction's use of a putative "leftist," the bandit Pancho Villa, one usefully studies the "left-right" simultaneous-deployments characteristic of the Spanish Carlists from the bowels of the 19th century up through and beyond the 1930s Civil War in Spain, including the Carlists' creation of their Basque "separatist" arm as a weapon against the efforts to bring Spain out of its feudalist past.)

The essence of the PAN, which attracts its support from the circles of Henry A. Kissinger today, is that its ideology is essentially that of the 1815 Treaty of Vienna, the Treaty organized by Venice (Capodistria), by the lunatic Alexander I of Russia, by Clement Prince Metternich, by the French-speaking Swiss families of Switzerland and France, and by Britain's Lord Castlereagh. These were all forces maliciously dedicated to destroying the spreading influence of the American Revolution into both Europe and Ibero-America, forces which Henry A. Kissinger has passionately supported publicly since the appearance of his praise of Castlereagh and Metternich in his book dedicated to his patron, McGeorge Bundy, *A World Restored*.

Today, the PAN continues its pro-Nazi ideology of the 1930s and 1940s, including its Gnostic's virulent anti-Semitism. Its Nazi leading spokesman, Soviet asset Jose Conchello, has publicly attacked me as "that filthy Jew from Philadelphia," for example, a sentiment echoed by the fascist Mexican journalist Perez Stuart. There is no doubt of its Nazi ideology or its Soviet affiliations today. Its public pronouncements are consistent with Nazi ideology, and it is openly allied with the Communist Party of Mexico (PSUM) in attempted destabilization of the government of the Republic of Mexico. Yet, the FBI was caught red-handed supporting the PAN in recent election campaigns, and the Reagan administration has so far increased the support for the PAN which has been administration trend in policy since approximately September 1982—at the point Henry A. Kissinger was brought into the Reagan administration (at first, covertly) to direct U.S. policy toward all of Ibero-America.

On the subject of Mexico and Central America, the policies of the Reagan administration recently are most charitably described by one word, "Nuts!"

U.S. policy toward Mexico

The vital U.S. strategic interest in Mexico was first implicitly identified in U.S. policy by the 1823 Monroe Doctrine, a doctrine savagely violated under the leadership of

Britain's Lord Palmerston and Lord John Russell in the joint British-French-Spanish occupation and Nazi-like looting of Mexico during the period of the 1861–1865 war. For Abraham Lincoln and his associates, from the 1840s through the 1860s, the principal ally of the United States in Mexico was the force of nationalist *republicanos* then led by President Benito Juárez.

Today, the bearers of the *republicano* tradition of President Juárez are within the institutions of the Mexican constitutional government and the ruling political party of Mexico, the PRI. Within the PRI, the most relevant bastions of republicanism are threefold: 1) The bearers of the tradition of the Mexican generals allied with the author of the present Mexican constitution, President Obregon; 2) The victors of present Mexican trade-union (CTM) leader Fidel Velasquez's factional struggle against the Synarchist faction of Lomardo Toledano, and 3) bearers of these *republicano* traditions within the institutions of the Mexican government itself.

Whatever imperfections exist within the present government of Mexico and the PRI, and those imperfections are far less odious than those which have rotted out our own government and leading political parties, these are the viable forces within Mexico. Whoever sets out to destabilize those forces plunges Mexico into chaos.

Presidents Luis Echeverría and Jose López Portillo exemplify that Mexican *republicano* tradition. Whatever differences in style and differentiated outlook exist between those two Presidents, or between them and President Miguel de la Madrid, all are bearers of the constitutional tradition of Mexico. The policy of the United States in Ibero-America must become a fraternal process of consultation between the President of the United States and the Presidents of the republics of Ibero-America. However, because of the proximity of Mexico to our southern borders, and the large number of Americans of Mexican extraction among our citizens and residents, the fraternal relationship between the Presidents of the United States and Mexico must be of a special intensity of friendly collaboration. The other Presidents of Ibero-America would not object to such a special relationship to Mexico; for the other Presidents, our policy toward Mexico is the bellwether of our policy toward Ibero-America as a whole.

I plead with President Reagan to change immediately U.S. policy toward Mexico, to kick Henry Kissinger and Kissinger's military clones out of making of U.S. policy toward Mexico—and all of Ibero-America besides, and to resume the policies of the American Whig patriots such as Ambassador Poinsett and General Winfield Scott, including that great Republican President Abraham Lincoln, toward President Benito Juárez. The President must be freed from control of "Palace Guard" circles to learn at last the truth about the PAN, and thus to rid the United States of a policy toward Mexico which I must describe most charitably as "Nuts!"

Moscow's political offensive in Africa

by Thierry Lalevée

While most observers have focused in recent weeks on the winds of change sweeping North Africa in the aftermath of the "union of states" between Morocco and Libya, few have considered the deeper political changes taking place throughout the continent. Though many African nations may have been disillusioned by Moscow's previous record on the fight for a new world economic order, as well as concrete economic and industrial aid, more and more countries in sub-Saharan Africa are turning to the Soviets and their allies. None of these countries can be considered either "socialist" or communist in the East European sense.

Such a turn, after the disaster brought about in Mozambique by 15 years of close cooperation with the Soviet bloc, says a lot about the willingness of the Western alliance to effectively "fight communism."

Western economic failure

At the roots of the shift is the devastating economic crisis sub-Saharan and Saharan African countries face, and the unwillingness of the advanced sector to take the problem seriously. A case in point was displayed at the recent sessions of the World Bank and the argument over adding \$2 billion to a ridiculously small \$9 billion emergency aid program, which, as we have written, is already inadequate from any standpoint. While most countries agreed to the new fund, none volunteered any contributions. Washington argued that other agencies should be involved, adding that its own \$1 billion contribution to Africa this year was an "important effort," to quote Donald Regan, Treasury Secretary.

The kind of wideranging development program which is needed was surprisingly described, for the first time outside of our magazine, in the Sept. 14 issue of the French weekly magazine *Hebdo*, which stressed that "aid to Africa can only be massive: construction of ports, roads, new canals, drying of swamps, reforestation, dams, electrification, etc. Reason calls for major investments in Africa, which it could not finance, but which the Africans could benefit from."

Faced with a continuous economic disaster and no help forthcoming, many countries have begun to look eastward again. Moscow can easily display verbal opposition to IMF conditionalities and Western nation's support of them.

Africa has become a new battlefield for the proponents of

a "Planetary New Deal," as the Sept. 27 *Le Figaro* described the policies advocated by French Foreign Minister Claude Cheysson, talking of the need for better channels of cooperation between East and West, a diplomatic term for a new Yalta deal in which the future of Africa is to be sacrificed first.

The Western side of the proposed redivision of countries between East and West is about to lose simply everything. Take the case of the Libya-Morocco union, heralded in the West as a sign of Muammar Qaddafi's new moderation. He has signed a new deal with France on Chad and even withdrawn his ambassador from radical South Yemen. But it is not Qaddafi who is changing; it is France and Morocco. This was underlined in the interview given by King Hassan on Sept. 25 to the *New York Times*, where he adamantly defended Qaddafi and downplayed any record of Libyan involvement in international terrorism. Asked about the Sept. 20 terror bombing in Beirut, he merely commented that this would go on as long as "the United States does not seek a global and wider peace settlement in the Middle East in negotiations with the Soviet Union." Moscow propagandists could not have said it better, as King Hassan omitted to stress that this was the very reason Moscow was deploying terrorism in the first place.

High level delegations

The African continent has received particular attention from very high level Soviet and East bloc delegations over the last two months. No one can quite remember the last time Shultz or any major American or European official visited sub-Saharan countries. Thus, while Moscow increases its political and military pressures on the Central European front, increases its military offensive in Afghanistan, and keeps Southeast Asia and the Pacific tense—not to mention the Middle East—Africa figures importantly into Soviet global strategy, too. From Central Europe to the Mediterranean region, the Middle East, and Africa, a complete process of encirclement and suffocation of Europe is in motion.

It was under the sponsorship of K. Demirchian, first secretary of the Communist Party of Armenia and Central Committee member of the CPSU, that the congress of Congo-Brazzaville's main political party was held last July. In mid-August, no less a personage than Politburo member Boris Ponomarev attended the political congress of the African National Union of Prime Minister Robert Mugabe in Zimbabwe. In early September, it was up to Politburo member Grigori Romanov to attend the celebrations of the tenth anniversary of the Ethiopian revolution and the first congress of the Ethiopian Workers' Party which has been described as a "communist Marxist-Leninist party."

Parallel to this Soviet political deployment have been endless military delegations or visits of other East bloc countries' leaders. For example, Erich Honecker of East Germany, whose country plays a most important role in Africa

on behalf of the Soviets, personally attended the Ethiopian celebrations as well as the Sept. 1 ceremonies in Tripoli. His presence in Tripoli was to celebrate both the 15th anniversary of Qaddafi's coup as well as the implementation of the union with Morocco. Similarly, Bulgaria's top leader, Todor Zhivkov, was in attendance in Addis Ababa. Militarily, no one could forget the visit to Ethiopia in late July of Marshal Petrov, as well as chief of staff Sergei Akhromeyev or the regional tour of Rear-Admiral Grobov.

Such visits have not been merely demonstrations of verbal support. In Ethiopia, Moscow committed itself to build a dam on the Awash river, a meat packing factory, a textile mill, a new cement plant, cattle ranches, etc. Whether Moscow actually delivers the goods is another question; confident of its political control, it doesn't mind if Western countries share the economic burden.

Moscow has given the green light to Addis Ababa for closer ties with London, to the point that Britain has been asked to be the mediator between Ethiopia and those Arab countries supporting the Erytrean and Tigris rebellions—a development doubtless the result of negotiations between London and Moscow on how to share African countries. Britain is again the leading power, with the Soviets, in Mozambique and is proud that it has "led Mozambique closer to the Western camp." This is a boast Moscow doesn't mind, as it has written off the country after having looted whatever was not nailed down.

Enter the North Koreans

Perhaps as indicative as anything else of the depth of Moscow's offensive in Africa is the deployment to the continent of the North Koreans, apparently set to ultimately replace the tired Cubans in Angola. North Koreans are side by side with South African troops in Mozambique to protect the industrial sites of the country against the local rebellion. South Africa, in signing the treaty with Mozambique earlier this year, committed itself to defend some of the industrial centers of the country against the rebellion South Africa had previously backed . . . which, having lost its bases inside South Africa, moved directly inside Mozambique!

North Koreans are to be found in Uganda, side by side with British advisers, and in Zimbabwe, which was visited last August by Pak Song Chol, deputy president of the North Korean politburo. It was also the North Koreans, together with the East Germans, who ensured the success of the 1983 invasion of Chad by Libya. Their presence was so conspicuous that it was one reason behind the French refusal to move northward in Chad, out of fear of creating an international diplomatic incident!

The Soviet strategy right now is to spread as much as possible throughout the continent, to then concentrate on the wealthiest countries, for example, Nigeria. It will then hand over to the West those which have been destroyed in the process.

Fascism and pornography: the cultural 'message' of the Venice Film Festival

by Filippo Ciccanti

To the general public, Cannes and Hollywood spell show, spectacle, big bucks, the movie-star system, and all the rest. But it is Venice where the "cultural lines" are laid down, to be spread and imposed on the public through motion pictures. The Venice Film Festival (*Mostra del Cinema*) was founded in 1932 by Mussolini's controller, Count Volpi di Misurata, and has been the most important Italian film festival ever since. This year the Festival, also known as the *Biennale* of Venice, celebrated its 41st year. And the message expressed by "Venezia 41" is only one thing: *fascism*, or Nazi-communism, to be more precise.

The Cini Foundation, the Société Européenne de Culture, and the Benedictine monks on the Island of St. George in Venice have decided that the "cultural" message to be conveyed this year through the cinema should be fascism. A look at the films presented in Venice this year gives a chilling glimpse into the future that the oligarchy has in store for the rest of us.

The movies presented were all composed of essentially the same elements, varying only with regard to the degree of pornography, violence, and terror. The common scenario was the Second World War and immediate postwar period; terror, hunger, misery, cruelty, death, hate, desperation, and violence reign supreme.

The film that won the Golden Lion award was *The Year of the Quiet Sun*, by the Polish director K. Zanussi. Here death triumphs absolutely: An old mother and her daughter let themselves die after having survived the second World War, rejecting the possibility of going to the United States for a new and better life.

Then there was *Maria's Lovers*, which looks at veterans of World War II coming back home to a small Pennsylvania town. This is the only "American" film presented at "Venezia 41"—but its director is none other than the Russian Andrei Mikhalkov Konchalovskii, son of Sergei Konchalovskii, the president of the Writers' Union of the U.S.S.R. and a big boss of the Moscow Communist Party.

Son Andrei is no "dissident," but a top Soviet "Daddy's boy," who travels frequently to the West. And like Mikhalkov is Yevgenii Yevtushenko, the drunken Soviet poet, who presented in Venice his first movie—*Kindergarten*—a semi-autobiographical film about the war period in the Soviet Union, the suffering of Mother Russia, her hungry children leaving Moscow, encircled by the Germans, for Siberia. Yevtushenko declared that he defines himself as a progressive D'Annunzio, referring to the most flamboyant of all the Italian fascist poets. His movie is a "pacifist" one, Yevtushenko declared, reminding his audience that the U.S.S.R. lost 20 million people during the war—but neglecting to credit Stalin and his pact with Hitler for those deaths.

The Nazis and Mussolini

Worst of all was Edgar Reitz's *Heimat* (*Homeland*), a 16-hour extravaganza which has been broadcast as a serial on German television. The film was "accepted" in Venice following an appeal by the principal German film directors: "*Heimat* represents all of us, it is the real meaning of our fatherland." *Heimat* begins in 1919, telling the story of a veteran of the first World War and his peasant family, as they live through the Nazi regime, World War II and the postwar period. Pornography is a central feature of this huge "pizza."

That this film should purport to represent the history of the Germans is a pure fraud: German history is not a Berlin brothel or a particular flower along the Rhine. It was certainly no coincidence that *Heimat* was shown almost alongside the monstrous *Wundkanal: execution in four voices*, by the German director Thomas Harlan. This cinematographic perversion brings us directly to the point: fascism.

The film portrays the interrogation of a banker (Hans Martin Schleyer) by "revolutionaries" (the Red Army Fraction, or Baader-Meinhof Gang) in an underground prison. The role of the banker is played by an authentic, confessed war criminal, Alfred F., who was responsible for several thousand executions of Jews in Poland and Lithuania in 1941,

remained underground until 1950, then became director of a bank, was arrested and condemned to life imprisonment in 1959, and finally freed in 1977 for "health reasons." In the film, the old Nazi undergoes a wild interrogation by Harlan personally, who forces him to watch parts of the movie *Immensee*, directed by his father, with the main role played by his mother-in-law, Kristina Soderbaum. This movie was presented at the Venice Mostra in 1942, but Alfred F. had seen it previously, in exactly the place where he was carrying out mass executions. The film builds into a crescendo of sadistic, Nazi cinematographic torture.

One disgusted critic was moved to write: "That man [Alfred F.] is a criminal, but the worst Nazi is the film director." How true! Thomas Harlan is the son of the famous Veit Harlan, the number-one film director of the Nazi period, who died in 1964 in Capri, the author of films like *Der Herrscher* and *Suss der Jude*. Thomas Harlan's former wife and co-producer of this film, Luisa Orioli, recalled: "Goebbels wanted toy shops to open in the middle of the night to give Thomas a small train as a present. He was the lucky son of the Nazi power."

Alongside the ultra-Nazi *Wundkanal*, the Venice festival featured the Italian fascist movie *Claretta*, by Squitieri, about Mussolini's famous lover. Publicity for this squalid production was provided by "antifascist" members of the jury, like Yevtushenko, Günther Grass, R. Alberti and Josephson, who handed down the verdict: "This movie is fascist." The preprogrammed counterreaction came from the authors, who began to scream about "Stalinist censorship," and said that the real fascists were those self-proclaimed antifascist members of the jury. The mutual accusations went on for several days, dominating the front pages of Europe's press, and reopening a "debate" about fascism, the Italians' ability to discuss it civilly after 40 years, and so on.

The result is that now Italians are flocking to the theaters where *Claretta* is being shown, while the Communist administration of Rome has dressed up the Colosseum like a *Balilla*, with a show on the "fascist economy" of the 1930s. Film director Squitieri declared to the press: "Claretta represents the consensus view of the Italians toward Mussolini, which must be discussed. . . ."

To hammer home the fascist message, another Italian movie was presented, *Uno scandalo perbene*, a film with the same story line and the same title as a movie done in 1940 about a scandal that broke out during the fascist period; only the new version has a lot more pornography.

The Italian Communist Party, like Mussolini, knows very well how to use the cinema to control and brainwash the masses: A movie made by 39 communist directors, was presented about the Communist Party's March on Rome of last March 24. At the "post-modern" festival of the communist paper *Unità* in Rome about the same time, a necrophiliac movie was shown about the death and funeral of party chief Enrico Berlinguer.

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France's Le Pen: A Druid fairy tale

by Garance Upham Phau

"For wetnurse's milk Le Pen has sucked the sap of the tree France. . . . What is extraordinary about Le Pen is that no one has been able to shake him off his tree."

"His ideas are . . . deep as old Celtie. They come from the night of time. The oral tradition of the Druids has been transmitted down to him." (Jean Marcillacy, *Le Pen sans bandeau*.)

Many in the United States and France claim that the leader of the rightist National Front, Jean Marie Le Pen, supports policies favoring a strong Atlantic alliance. Such nonsense is not only absurd, it is downright dangerous. The Atlantic alliance ought to mean an alliance of republican nation states with a shared commitment to economic progress. But Le Pen, like Kissinger, proposes to do away with the nation state. His beliefs are "blood and soil" cultism, much as old Russia; behind him is the old oligarchs' plot to return Europe to the barbarian feudal regional entities of the pre-Renaissance era.

It is symptomatic of the degeneration of our Western culture that such an animal as Le Pen is not indeed laughed off his "tree." We quote from his program and biography *Les Français D'abord (The French Come First)* to locate his cultural and epistemological outlook.

The 'cemetery is the fatherland'

"The fatherland is the land of our Fathers, the soil . . . fertilized by their sweat and blood. . . . In the beginning there is the soil . . . all the living beings are by nature assigned to vital areas conforming to their disposition or affinities. It is the same for man and people. All are under the hard law of life and space. There is besides between men and their native soil an affinity which is not entirely summed up in the instinct of possession . . . they return there irresistibly as to a mother's lap. . . . The hardest trial of the Black Feet [French Algerians] was not that they gave up the fruit of their labor . . . but giving up their cemeteries. . . . Conversely a foreigner can . . . only integrate into the fatherland through a sacrificial act, 'the pouring of his blood,' then he is French, not through the blood received but through the blood given. . . . There are sites, on our homeland, military sites or large necropolises where this intimate mixture has reached such proportions that here man has become earth. Under the sky dome there reigns that same silence as in the large cathedrals. Seized with reverential emotion the visitor hushes,

walks on tiptoe . . . he is in the temple of the fatherland."

The notion of "vital space," that specific soil breeds specific races with a hierarchy of capabilities and intelligence defined by blood-irrigated soil, was at the core of Nazi belief structure. It is, moreover, central to the Russian cultural matrix, the underpinning of the "Third Rome." It is a form of primitive belief that predates Western civilization, characteristic of priest-ruled "human sacrifice" societies, which, after the Christian era, became known in the West as "Gnosticism."

Le Pen says that he is first and foremost a Celt of Brittany, who communicates with his Druid ancestors feeling their "pulses, intentions, protections," all their "manipulations." His biographer Marcillacy, a rabid Celt cultist, obscenely describes Le Pen over and over as a "tree," the tree being the Druid mode of communication with the earth/blood of ancestors. Marcillacy discusses shared belief in Druid magic with Le Pen.

When Julius Caesar arrived in Brittany, he reported finding a Celtic tribal society ruled by Druid priests practicing human sacrifices, worshipping oak trees and snake saliva. Later, in their Gnostic adaptation to Christianity, the Druids accepted the idea of one God only to reject Christ as the divine son of God, taking instead . . . "a snake." While we are not suggesting that Le Pen keeps a snake in the luxurious bathtub he inherited from the Lambert banking family, for the inquisitive we note that in Roman times the yearly Druid assembly took place in the city of Dreux, and that last winter, the National Front's entry into national prominence was when they won the mayoral race there.

Le Pen and his associates in the new right *Figaro Magazine* speak of the "need" to break with the tradition of King Louis XI that established the bourgeois-allied State as the agency ultimately responsible for policies governing the nation's economic development. Le Pen proposes to abandon all heavy industry. It was in 1464 that the Duke of Brittany became the rallying point for all the feudal houses of France and Europe and declared the "War of the Public Weal" against Louis XI. These oligarchs proposed "freedom" from state interference, tax cuts, the abolition of central government. Against them, Louis rallied the republican forces of the cities, industrial entrepreneurs and working people, in the first "American" revolution, and set up a state whose purpose was the realization of the highest rates of labor productivity through technological input, creating the highest potential relative population density yet achieved. The Dukes never forgave Louis, and today the descendants of those houses are on a rampage to break up Europe as a prelude to breaking up the United States.

But we may share a secret: The old Druids feared satire in the belief that it could create blisters on the mocked person's face. Should the French recover their Rabelaisian laughter, they might mock the Druidic fool until he puffs up and his blisters explode.

Investigative Leads

Moscow, Teheran in anti-U.S. offensive

by Thierry Lalevée

Behind the Sept. 20 kamikaze attack against the U.S. embassy in Beirut, claimed by the "Islamic Jihad" terrorist group, stand the very same forces which struck in April 1983 against the embassy, then in western Beirut, and which killed 400 French and American servicemen the following October, bombed the U.S. embassy in Kuwait on Dec. 9, and have been responsible for an endless list of bombings and cold-blooded assassinations in the Middle East or in Western Europe. The same explosive mixture—some 150 kg of TNT—as well as two Soviet-made Grad rockets, were used on Sept. 20 as in December 1983. The assassination attempt against a Kuwaiti journalist on Aug. 8 in Marbella, Spain, among other actions, underlines the fact that Al Jihad is not operating merely in the Middle East; according to the latest intelligence estimates, it has now established bases of operation in Western Europe and North America.

Despite the efforts of the Americans, the French, and the Israelis to destroy them, the Islamic Jihad commandos still maintain their main headquarters in the region surrounding the city of Baalbeck in Lebanon, where they operate under the protection of the Syrian regime of Hafez al Assad. Islamic Jihad is no loose grouping of brainwashed zombies, but an intelligence and terrorist operation which, through its leader Hussein Moussavi, coordinates closely with the intelligence services of Libya, Syria, and Iran, and ultimately with Soviet intelligence, under Politburo member and Islamic specialist Geidar Aliyev, and the East German Stasi (Staatsicherheitsdienst) of Gen. Markus Wolff.

It is under such sponsorship that Islamic Jihad is expected to launch further terrorist operations in the coming months in Beirut and elsewhere, either directly or in collaboration with the many related networks based in Europe, such as those of Rashid Bin Issa and Paris businessmen Sharif Malik. Reports coming from Beirut on Sept. 27 indicated that all Western embassies and institutions were again in a general state of alert, as are many intelligence services in Europe.

Iran's new terrorist czar

In early September, just before the Sept. 20 kamikaze attack, Iranian President Ali Khamenei made his first tour abroad, visiting Syria, Libya, and Algeria. On Sept. 6 he

arrived in Damascus, accompanied by Minister for the Revolutionary Guards Mohsen Rafik-Dust and Minister of Public Security Hojatessalam Mohammed Mohammadi Reyshahri, as well as numerous chiefs of the intelligence and military departments of Iran. By Sept. 9 when he arrived in Tripoli, his delegation had shrunk from 60 to 40, and then to only 25 when he arrived in Algiers on Sept. 11. The intelligence chiefs had dropped out of the entourage to stay either in Damascus or Tripoli.

It was during his stay in Damascus that Khamenei received all the leaders of Lebanon's Shi'ite community, as well as leaders of the Iranian contingents in Syria and Lebanon. That Hussein Moussavi was included in these meetings, sponsored by Hafez al Assad, was no secret. Included too was a representative of the main Lebanese Shi'ite organization, Al Amal. Lebanese minister Nabil Berri, the chairman of Al Amal, announced on Sept. 9, a day after Islamic Jihad's first serious threat against the United States, that he had 50 young kamikazes ready to die to free Lebanon from Israel's occupation.

Of special importance was the presence in the Iranian delegation of Hojatessalam Reyshahri, who had just been appointed Minister for Public Security on Aug. 15 and is the first such minister since 1979. A former general procuror of the Revolutionary Tribunals, with an endless list of death sentences to his name over the years, including that meted out to former Foreign Minister Sadegh Ghotbzadeh, Reyshahri is the first minister to centralize under his own control all of Iran's internal and external intelligence services, as well as internal public security and censorship. Before his appointment as minister, he was already receiving in Iran some 400 East German security advisers, out of a 1,000-strong group which had arrived in northern Syria in July. The East Germans, along with the Soviets and Bulgarians, are helping Iran develop a better coordinated intelligence and security service. There is little doubt about Reyshahri's role as one of Iran's most important coordinators of international terrorism.

In Damascus, Reyshahri met with Assad as well as Syrian intelligence chief Gen. Ali Duba, then went with Khamenei to Tripoli. He never arrived in Algiers with the presidential entourage, but surfaced instead in Geneva on the evening of Sept. 14, where he stayed overnight at the Hotel President. During that night, Reyshahri reportedly held a conference with Colonel Qaddafi's cousin and special intelligence envoy Ahmed Qaddafi, and with a Syrian military representative close to Rifaat al Assad, the Syrian President's brother. Though little is known about the content of the meeting, a similar gathering of top Iranian, Libyan, and Syrian representatives has been held prior to every major terrorist onslaught, e.g., in April and October 1983. Reyshahri is also believed to have stopped over in Rome to meet with Hojatessalam Khosrowshahi, the Iranian ambassador to the Vatican, whose embassy is a coordination center for Iranian operations in Europe.

From frying pan to fire and back

The seed of the destabilization in Andhra Pradesh was planted last year when the regional party, Telugu Desam, took power.

A month-long bizarre episode in the southern state of Andhra Pradesh came to at least a temporary halt on Sept. 16 when the newly appointed governor, Dr. Shankar Dayal Sharma, recalled ousted Chief Minister N. T. Rama Rao (called "NTR") to form a new cabinet.

The problem had begun on Aug. 15 when N. Bhaskara Rao said he had collected a defector faction from NTR's Telegu Desam regional party and that NTR no longer had a majority. Bhaskara Rao then managed to get himself appointed chief minister in NTR's stead. But by Sept. 16, it was apparent that Bhaskara Rao did not have the majority of the state legislature and that he was attempting to postpone the vote that would expose him. The state governor acted accordingly and recalled NTR.

But the Andhra Pradesh drama is far from being over. The aborted toppling bid took place against a backdrop of serious communal disturbances, rampant religious obscurantism, and chauvinist anti-nationalism that has been unleashed in the state since NTR's regional party came to power in 1982.

Bhaskara Rao's parliamentary maneuver appeared to be an effort to pull the rug out from under the state's regional autonomist party and place Andhra Pradesh, on the eve of national elections, in the hands of the Congress-I party of Prime Minister Indira Gandhi. If this was the plan, it seriously backfired.

On one level, NTR, a former matinee idol, was given a grandstand on which to play the innocent oppressed

victim of a corrupt central government determined to wield its authority, even if it means overriding democratic procedures.

Opportunists of every stripe—from the Indian opposition sectlets to international media like the London *Economist*—rushed to name the villains in the game. The least important was Bhaskara Rao himself, a well-known political thug who was thrown out of the Congress-I for corruption before he teamed up with NTR to "restore Telegu dignity."

But the greatest invective was reserved for Prime Minister Gandhi, who, her domestic and foreign opponents claimed, had masterminded the whole affair. To bolster their charges, the opposition press pointed to the dismissal of the elected Jammu and Kashmir government in July, which was encouraged by New Delhi as a national security move against the state governor's pro-Pakistani leanings in this Muslim state.

Mrs. Gandhi, however, has categorically denied any knowledge of the antics in Andhra Pradesh. The evenhandedness of the central government in the matter bears it out. The government forced a newly appointed governor of the state to call the state legislature to a vote. Bhaskara Rao had 30 days to come up with his claimed majority. When he overran that 30 days, Governor Sharma, after a brief telephone conversation with Mrs. Gandhi, told Bhaskara Rao to resign or face dismissal. He resigned.

On the more profound level, NTR's theatrics have the potential to

re-create a broad movement for regional separatism in southern India. For thousands of years, the southern Indians, who are mostly Dravidians and therefore the "original" Indians, believe that they have suffered from the humiliations delivered them by the invading northern Aryans. The south fought to stay out of independent India, to form its own state.

This deep mistrust of the "oppressive" central government was kindled anew by the NTR-Bhaskara row, and is being fed by the plethora of religious operations in the state that are run by the likes of the Harvard Divinity School. Within a few days of NTR's ouster, riots broke out in several cities, reportedly led by Naxalites (pro-Beijing communists) against the government, leading to numbers of dead. In one incident, a poor shopkeeper set fire to himself in protest of the government's alleged oppression of NTR.

NTR's own close association with reactionary religious fanatics makes him a potential threat to the state's stability. In the past month, he has brought under his wing the entire anti-Congress-I gang ranging from the Moscow-backed CPI and CP-M to the Hindu fanatics such as the BJP and Lok Dal. At one point, during his trip of protest to New Delhi after his ouster, he threatened to consolidate a national opposition against Mrs. Gandhi.

Within Andhra Pradesh, NTR was already losing ground during his 19-month tenure in office to religious fanaticism, fed by his own corruption and anti-nationalism. In the last year, a series of Hindu versus Muslim riots have taken place in Hyderabad. Even as late as early September, incidents of stabbing and looting in the city have continued. NTR's unholy alliance with the RSS-linked BJP is considered by many as a root cause of the disturbances.

Whither the Assads?

Some fools in Washington have bought the Soviet disinformation line that a new "moderate" Syrian regime is in the offing.

Arriving in Beirut on Sept. 21 to assess the damage from the terrorist attack on the American embassy the preceding day, U.S. Undersecretary of State for Middle Eastern Affairs Richard Murphy went on to meet with President Hafez al Assad for three hours on Sept. 22, declaring afterward that he had come to "consult America's friends in the region."

As he made the statement upon arrival in Tel Aviv, it would not have been obvious whether Murphy was referring to the Assads of Syria as well as to Israel, but for the fact that he had been one of the first American public figures to praise the Syrian regime, telling a Senate subcommittee in July how important he considered Syria's role "for stabilizing Lebanon." Although that statement was viewed critically by many in the United States and in Israel, it nonetheless received the backing of Secretary of State George Shultz a few weeks later.

Murphy's remark is a precise indicator of the relations between Washington and Damascus these days. Many American politicians, as the *Washington Post* reported on Sept. 26, are wishfully looking at the Assad clique as a potentially independent and even pro-Western faction. The President's brother Rifaat Assad, according to the *Post*, "in private conversation with Western and Arab diplomats, has hinted that he was unhappy with Syria's ties to the Soviet Union and would be interested in reorienting Syrian policy toward the West if he were to succeed his brother as president. 'Rifaat sees Reagan as the first

president since Eisenhower to serve a second term and he would be free to pursue a policy in the Middle East free from too much [Israeli] influence,' said one U.S. source in Washington."

The *Post* underlined the economic involvement in the West of Rifaat, which includes ownership of a mansion in New Jersey. What the *Post* discreetly failed to mention was Rifaat's large dollar bank account in Switzerland.

The issue here is not whether the reports of the new moderation or pro-Western stand of the Assads are KGB disinformation—although the Soviets are certainly making a bid to market a new "moderate" version of Muammar Qaddafi, while Moscow extends its grip over the Middle East and Africa.

More important is whether the Assads and Syria have any future in the "New Yalta" deal that the Kissinger crowd would like Moscow to accept. An operation to portray the Assads as pro-Western has definite advantages for Moscow; it has succeeded in blinding the United States to what is really going on in the Middle East. Eager to play the Assad card, Washington has been led to invest too much in Syria, at the expense of more reliable allies like Egypt. As a result, Cairo has turned more toward Moscow.

Of course, the Assads are sometimes tempted to play the United States and the Soviet Union off against each other, and this had led to internal struggles within the country; hence the foreign exile of Rifaat al Assad, first to Geneva, now to Paris. There is no fundamental split, however; recent

decisions have made clear that the Syrian leadership is ultimately a reliable Soviet ally, and that not-so-discreet meetings in Geneva between Rifaat al Assad and CIA Director William Casey will do nothing to change that. As recently as July, Damascus agreed to welcome a contingent of 1,000 East German advisers to reorganize their intelligence and police services.

The U.S. response to the bombing of its embassy in Beirut was one indication of the success of KGB disinformation in disseminating the new line on Syria. No one in Washington seemed to notice that the most blood-curdling threats against the United States came, not just from the Islamic Jihad terrorists, but from Syrian Defense Minister Mustafa Tlas, a graduate of Moscow's Voroshilov military academy and avowed admirer of Hitler and of the Nazi regime. In a 12-page interview to the German weekly *Der Spiegel* published on Sept. 10, Tlas made no secret of the fact that his military conceptions were based on what he described as "a popular war of liberation . . . a man with a bomb tied on his body embraces his enemy and they blow up together."

Tlas praised to the heavens the case of the two "martyrs" who "alone blew up more than 400 of our enemies," and he announced that such a "popular war will continue as long as the Americans are in the Middle East." Tlas is generally seen as a factional opponent of Rifaat al Assad; he told *Der Spiegel* that Rifaat "will forever be *persona non grata* with us" and "will never come back to Damascus," despite his continuing power in the Syrian capital.

Tlas's statements suggest quite a bit about the foolishness of those people in Washington who go on dreaming about a "moderate" regime in Syria.

Can Moctezuma Brewery take revenge?

U.S. banks implement debt-for-equity schemes against a Mexican company—and this time, the Mexican government is mum.

The story of how Mexico's Moctezuma Brewery is being taken over by its foreign creditors is instructive in demonstrating what's behind the recent Mexican deal to "reschedule" its debt which some foolish people think has solved everything. Unlike the case of the ALFA industrial group earlier this year, where the government stepped in to stop creditors from devouring the firm as repayment for debt, this time the Mexican government—by looking the other way—has set a dangerous precedent for the recolonization of the country under Henry Kissinger's "debt for equity" schemes.

Moctezuma Brewery, founded 138 years ago, is one of the oldest enterprises in Mexico. The Superior Court of Justice of the Federal District put the firm into receivership on Sept. 27, in response to a lawsuit by the firm's American bank creditors who demanded the action.

The attackers argue that the Moctezuma Brewery, which employs 12,858 blue collar and white collar workers with 51,432 dependents, has paid neither interest nor principal on its \$300 million debt with these banks, principally the Bank of America and Citibank, since 1982. The reality is that since that date, the Bank Committee which was managing the renegotiation of the debt of the firm had proposed to its owner, the well-known entrepreneur Alberto Bailleres (who also owns Industrias Peñoles, El Palacio de Hierro, and until Sept. 1,

1982, Banca Cremi), to pay the debt with stocks in his company. Since Bailleres (who is by no means a nationalist) refused, the banks decided to act by force and take it.

But that's not all. To further humiliate this "daring" opponent of Henry Kissinger's debt-for-equity scheme, both he and the general manager of the company, Juan Riveroll, were legally enjoined from leaving the country without leaving behind a legal representative, under penalty of spending five days in jail. The next court appointment will be on Oct. 10.

The haughty attorney for Bank of America and spokesman of the majority of the international and Mexican creditor banks of Moctezuma Brewery, Miguel Angel Harta Sánchez Noguera, told newsmen that "not even by revaluing its stocks can the company manage to pay the 60 billion pesos it owes. Besides," he said, "we know that the firm owes 7 billion more pesos in back taxes." He also explained that Bank of America is the only creditor which asked the Superior Court of Justice of the Federal District to declare Moctezuma Brewery bankrupt, but that the other 40 creditors have presented 31 lawsuits of various kinds.

In reality, the company, just as its owners argue, fell on bad days starting with the 1982 devaluation of the currency, and contrary to what the banks say, they were perfectly willing to negotiate the debt even though, in effect, they were in no condition to pay after

1982. Besides, it is known that the \$300 million debt is greater than the totality of the firm's fixed assets, estimated at about 50 billion pesos. In the first six months of 1983, the firm registered losses of 6 billion pesos, whereas their unpaid interest amounted to more than 17 billion pesos.

A source close to Bailleres told *EIR* that the extremely dirty maneuver of the international banks has aroused the dander of the boss of the company, and that he, together with other employers, considers this action a direct threat to all companies in a similar situation who do not want to accede to turning over their stock. The main companies immediately on the banks' blacklist are the PLIANA Group and the HYLSA steel-making firm. The source added that the ALFA industrial group's yielding to the voracious pressures of the banks and accepting the proposal of turning over its assets in early 1984 was what cued the banks to continue with this policy. In that case, a last-minute maneuver by the government stopped ALFA from turning everything over, and the debt is still being renegotiated.

The banks are also stirring up a defensive reaction from the labor movement. From Jalapa and Orizaba in the state of Veracruz, to Guadalajara in Jalisco, and in the other states where the 50 branches of the Moctezuma Brewery are located, there is generalized discontent and fear among the workers. The state representatives of the CTM national labor confederation in these states have said that they will intervene in defense of the workers' and their families' rights, and will not permit such an important company to be shut down.

The precedent is in place; the denouement will have serious consequences all over the continent if international usury is not stopped.

Emperor Palme's new clothes

Even a child can see that Palme's recent talk about the needs of a strong defense is merely talk: He has nothing on!

Lo and behold, Swedish Premier Olof Palme's got a new pro-defense policy! Let there be no doubt about it, even Sweden's leading "conservative" newspaper, *Svenska Dagbladet*, reports the opinion of defense policy expert Carl Bildt of the Moderate Party, that Palme's new "pro-defense" profile indicates "an important shift in position which is an important signal to other countries."

This "important shift" was stage-managed at the Social Democratic party congress in Stockholm on Sept. 17, where Palme and Defense Minister Anders Thunborg, according to media hype, "virtually overrode the peaceniks inside the party." Other press accounts included observations such as "Palme uses the big sledge against the peaceniks."

Putting words to one side for a moment and looking at deeds, both Palme and the "conservative" Moderate Party are complicit in cutting back on Swedish defenses, and the current slow upgrading of submarine defense is essentially being funded out of other defense sectors. The big "pro-defense" hoop-la staged by Palme at the party congress has a different purpose: undercutting the growing demand for closer Swedish relations with the Western alliance.

A just published booklet, titled "Outdated Neutrality Policy?" is instructive. Published by Sweden's psychological defense establishment, the booklet poses the question, "Do we need to reassess the policy of neutrality?" and states that, "In the aftermath of the submarine incidents, a debate

has started over the realism of Sweden's neutrality policy," a debate in which there is "a danger of exaggerated conclusions."

Comparing today's situation with the race between Britain and Germany at the outset of World War II over who would first take control of northern Norway, the booklet asserts that control over northern Sweden today would be vital for Soviet air superiority in the "strategic triangle" between the northernmost tip of Britain, a point in the southeast of Greenland, and one in mid-Norway. This "strategic triangle" defines the air space over the so-called GIUK Gap—Greenland-Iceland-United Kingdom—through which the Soviet fleet based at Murmansk has to pass to reach the Atlantic.

Given the range of relevant Soviet aircraft, the booklet says, a Soviet airbase in northern Sweden would at least double the Soviet Air Force's "combat value," defined as the duration of time during which jetfighters can carry out missions in the "strategic triangle." While a Soviet invasion of Sweden in the context of an ongoing war on the Central European front would be a costly diversion of Soviet forces, and is therefore unlikely, the booklet concludes, an *initial* Soviet strike into Sweden to secure such an airbase would be relatively easy.

Admitting the danger of a Soviet surprise strike, and that "strict neutrality is no guarantee against an attack," the booklet nevertheless insists that "there is no basis in fact, however, for abandoning Sweden's current security political aims." Offered

to support this astonishing conclusion is a version of the Swedish oligarchy's standard argument for neutrality: Even the Norwegians themselves would prefer a strong, neutral Swedish air force defend the northern flank, because otherwise, if Norway were forced to grant NATO airbases in northern Norway, the Soviets would reciprocate by demanding airbases in Finland!

A similar argument has now been seized upon by the forces promoting the disintegration of NATO. Edward Luttwak of the Georgetown University Center for Strategic and International Studies (CSIS) called on Sept. 25 for Denmark to be expelled from the Alliance, as NATO would "prefer a neutral but strong Denmark—like Sweden—to a weak Denmark as a member of NATO."

Luttwak's remarks, made in an interview to the Danish weekly *Politisk ugebreve*, caused an uproar in Denmark, as they intersected an intense political fight over Denmark's commitment to NATO. It was only a few weeks ago that Denmark's Radical Party, a leftist liberal party which otherwise supports the ruling non-socialist minority coalition from the outside, demanded that Denmark leave NATO. This followed upon a vote in the parliament this past spring, in which the Radical Party joined with the Social Democratic opposition to create a majority against the government, banning the stationing in Denmark of any cruise missiles.

The Radical Party could become the swing factor ousting the current regime in favor of a social-liberal coalition that could take Denmark out of NATO. That would mean the loss of the nation guarding NATO's northern flank. If the northern flank of NATO crumbles, the central front may crack soon, too.

The Cyprus Dossier

Papandreou's revelations may backfire—and seal his own fate and that of the Greek presidential republic.

Greek Prime Minister Andreas Papandreou announced Sept. 16 that he has ordered the Justice Ministry and relevant elements of his party's parliamentary delegation to finally reveal to the public the legendary "Cyprus Dossier." The implications of this little, seemingly obscure gesture by a petty tyrant of a backwater country are not inconsequential for the "larger picture" of international crisis between the two superpowers and between the United States and Europe.

For those not familiar with the arcane arts of Empire management, the "Cyprus Dossier" means nothing. They shall benefit most by paying close attention.

It is not necessarily the inevitable fate of small countries such as Greece to be ruled like puppets on a string by supranational interests whose primary interest is to play the "Great Game." Such countries are ruled for the exclusive purpose of being used as pawns only because their populations usually fail to produce responsible, potent statesmen. A cowered population produces and follows corrupt, self-seeking politicians.

Great international interests hook such corrupt politicians on their vulnerabilities, put them in power, and then dictate policies of concern to international gamemasters, often matters of indifference to the local population. The "Cyprus Dossier" is the particular "hook" by which Greek domestic politics have been manipulated in the last 30 years, by those whom Cypriot President Spyros Kyprianou

has called the "International Magicians." Papandreou's threat to divulge the contents of the dossier could blow the lid concealing the particular sordid games of the well-camouflaged European oligarchy playing the New Yalta game. Kissinger's role will be especially vulnerable to exposure.

During 1973 and early 1974, between the Yom Kippur War and the outbreak of the Lebanese civil war, Henry Kissinger decided to overthrow the nationalist military government ruling Greece. He convened a conspiracy in a series of secret meetings in Paris, France, at the residence of a now-deceased exiled Greek publisher, one Panos Kokkas. Participants were exiled Constantine Caramanlis, now President of the Republic of Greece; then-Turkish Prime Minister Bulent Ecevit; then-Cypriot President Archbishop Makarios, and certain other international figures. Cyrus L. Sulzburger of the *New York Times* and his Greek wife played a critical intermediary role with some of Kissinger's "bright young boys," most likely Winston Lord, currently the head of the New York Council on Foreign Relations.

The decisions taken were to concoct an artificial crisis on the island of Cyprus, have Archbishop Makarios bring about an invasion by the Turkish Army, to grow into a full-scale military confrontation between the nations of Turkey and Greece. NATO channels and capabilities would be used to paralyze the Greek Armed Forces, forcing the collapse of the Greek mil-

itary government.

The scenario worked perfectly, down to the last detail during June and July 1974. Caramanlis was summoned from Paris to take the reins of state in his hands. As Kissinger had prediscounted, Greece resigned from the military wing of NATO. A new era of anti-American, pro-Moscow politics was inaugurated.

Papandreou is now making a direct and explicit threat to President Caramanlis—and the corrupted Caramanlis has no defense. For other reasons, Papandreou is about to transfer to Soviet hands the entire package of Cyprus-related intrigues and secrets by which the Greek political elite has been manipulated from abroad for decades.

There are two sets of complications on which Papandreou has not counted: First, Papandreou himself is not as invulnerable to these revelations as he imagines. To open the "Cyprus Dossier" will lead to an investigation of his personal secret relation with Kissinger, such as Kissinger's role in 1969 in having Papandreou released from Greek military prison. Second, the exiled King Constantine sees in the unveiling of the "Cyprus Dossier" the possibility of his own vindication for the way in which he handled a series of national crises from June 1965 onward—and probably rightly so. In the political warfare following the release of the dossier, Constantine could see the first serious possibility to discredit the presidential republic in Greece and resurface the issue of restoring the monarchy. Not only is the President at the mercy of the Turkish government, which has copies of all the blackmail material in the "Cyprus Dossier," but the republic itself was founded in 1974-75 upon those very treacherous deals of the Kissinger-inspired secret meetings in Paris in 1973-74.

International Intelligence

Atomic Energy Agency opens conference

The International Atomic Energy Agency opened its 28th annual conference on Sept. 24, in Vienna, Austria. Agency Director General Hans Blix predicted a decline in the growth of nuclear power because of political controversy and lack of funds.

Blix reported to the opening session of the conference that 25 new nuclear power plants went into operation during 1983, bringing the total worldwide to 313. "There were some setbacks, however," he said, "caused by political and public attitude constraints, and by financing problems. Orders for eight plants already under construction were canceled, and some projects were postponed. These developments," he said, "together with the paucity of new orders, will inevitably lead to a flattening of the curve of world nuclear capacity growth. The nuclear industry, after a period of very rapid growth, has entered a period of slower expansion."

He laid some of the blame on the "highly emotional issue" of nuclear waste management. "It is lamentable . . . that legitimate concern has sometimes been replaced by politically or emotionally motivated obstructionism directed against any activity relating to the nuclear fuel cycle, including steps to find suitable repositories for nuclear wastes. I remain optimistic that, in the long run, the environmental advantages of nuclear power will be generally recognized," he said.

The 112-member IAEA, a U.N.-linked organization, is charged with promoting and ensuring the safety of nuclear energy for peaceful purposes. Agency safeguards, including inspections, are supposed to ensure that nuclear material does not get diverted for use in nuclear weapons manufacture. However, both the Kissinger-tainted U.S. State Department as well as the U.N. itself, use the issue of nuclear non-proliferation to deprive developing sector nations of access to relatively safe and inexpensive energy needed for continued growth and economic development.

During the week prior to the conference, it was announced that the Soviet Union and the IAEA had reached agreement on putting some of the Soviet Union's non-military facilities under IAEA safeguards. Theoretically, states which already have nuclear weapons need not submit non-military facilities to safeguards, but Britain, France, and the United States have long done so as a sign of good will. Blix called the safeguards system "the only international verification system which has so far seen the light of day in the nuclear field."

He also announced his plan to set up, for an initial period of three years, an International Nuclear Safety Advisory Group, to review, analyze, and suggest nuclear safety policy.

Soviet beam-weapons program advancing

While Soviets and Kissingerites are urging President Reagan to negotiate away space-based missile defense weapons, the Soviet Union is moving rapidly toward its own space-based weapons capability.

According to the latest issue of *Jane's Defense Weekly*, a British defense publication, the Soviet Union is continuing ahead in its development of space-based weapons including a laser ASAT system. "The Soviet Union's military space activities have always been buried in its vast Cosmos series of launchings (the 1500th was launched in September 1983)," writes *JDW*. The weekly says that according to U.S. reports, "pointing and tracking tests, similar to those planned for the U.S. space-based high-energy laser weapon system"—that the Kissingerites want to negotiate away—"had already been conducted by cosmonauts on Salyut 6 and 7."

Soviet media has been making a big play of space stations, with female cosmonaut Svetlana Savitska the big heroine, including a front-page *Izvestia* article recently showing Svetlana doing work on the space station with an electron-beam gun. The Soviet daily *Izvestia* of Sept. 22 reports on its front page

that Soviet cosmonauts have now completed their 227th day on the Salyut 7-Cosmos T-11 space-station complex, working on astrophysical experiments involving an "X-ray telescopic-spectrometer."

Jane's also adds pointedly that there is "no sign of any slackening in the Soviet Union's annual launch rate of approximately 80 military satellites."

Israeli government enacts more austerity

The new Israeli national unity coalition government handed down a new set of austerity measures on Sept. 24 that will hit the population hard. These include:

- New taxes of up to 2% on cars, business buildings, and inventories.
- Increases in prices on government-subsidized food—mostly dairy products and bread—by 18 to 50%.
- Hikes in gasoline prices by 30%.
- Plans to cut the \$22 billion budget by \$1 billion; defense accounts for 40% of the budget.

These measures are being put forward as necessary in order to please Secretary of State George Shultz, who is often quoted in the front pages of the Israeli press as demanding that Israel get its financial house in order. Specifically, the Israelis are hoping that if they impose a harsh enough austerity against the population that they will receive \$900 million additional to the \$2.6 billion aid package promised by the United States. In effect, Israel's economy is being steadily "dollarized" as the shekel falls through the floor.

Japanese scramble against Soviet air violations

According to British military sources, Japanese fighter aircraft were first alerted and then ordered to take off on Sept. 24 when Japanese radar determined that at least 20 Soviet long-range Backfire bombers had suddenly appeared from out of the blue off

the northern Japanese coast.

This is apparently part of a major Soviet military exercise now under way in the area of the Sea of Japan and the Soviet-occupied Kuril Islands, which lie off the northernmost Japanese island of Hokkaido. On Sept. 23, the West Berlin newspaper *Tagesspiegel* reported that, following a fire on board, a Soviet Golf II class nuclear-missile submarine was being towed from a point 90 kilometers northwest of the southern Japanese Island of Okinoshima in the Korean Straits toward the Soviet naval base of Vladivostok. The towed Soviet sub is being escorted by a Soviet minesweeper, a supply tanker and two tug boats. The "Golf II" class of nuclear missile submarine is the oldest in the Soviet Navy, having first entered service in 1960.

Betancur blasts U.S. sabotage of Contadora

On Sept. 26, Colombian President Belisario Betancur criticized the U.S. State Department's "lamentable prattling" in labeling Nicaragua's endorsement of the Contadora peace document as "hypocritical," and again warned the Reagan administration against treating Central America as an arena of East-West superpower confrontation.

The State Department has consistently attacked the Sandinista government for not signing the peace agreement, and has used that fact to try to justify its own notable lack of support for the Contadora peace process. Now that Nicaragua has signed the document, a spokesman for the State Department could only charge that the Managua regime was acting "hypocritically."

Speaking from the United Nations, Colombian Foreign Minister Ramirez Ocampo took Betancur's criticism one step further by dismissing the State Department's charge, saying that as far as Colombia was concerned, there had not yet been any "official U.S. response" to the Nicaraguan signing of the Contadora document. The Colombian minister also pointedly observed that there were some "second or third rate U.S. government officials" who viewed with "certain

skepticism" the Contadora peace process which the rest of the Americas has endorsed.

U.S. to retaliate against New Zealand?

Rep. de la Garza of Texas (D) and Rep. Stephen Solarz (D-N.Y.) publicly threatened retaliation against New Zealand on Sept. 24 if it does not retreat from its position of denying port access to U.S. nuclear-fueled and nuclear-carrying ships. New Zealand took this stand upon the election in July of Labour Party leader David Lange. The proviso effectively rips up the ANZUS treaty between the United States, New Zealand, and Australia.

The pressure is now coming on New Zealand from both Congress and the Pentagon. Solarz and de la Garza are threatening that if New Zealand does not back down, then Congress will accede to the demands of the U.S. dairy lobby and close U.S. markets to New Zealand milk and casein. Before, according to a State Department official, moves to shut off the markets to New Zealand were always stopped by citing the country's important defense role in the Pacific.

It would appear, however, that the New Zealanders had already taken this retaliation into account when they made their decision to rip up the ANZUS treaty. Perhaps they have a new market in the Soviet Union. Yesterday, New Zealand Defense Minister Frank O'Flynn stated that New Zealand is ready to end its being "kind of a protectorate of the United States" and to take the consequences for it.

New Zealand wants to see the creation of a "nuclear-free zone" in the Pacific basin, i.e., they are working within the terms of the plan of NATO Secretary-General Lord Peter Carrington, Kissinger, and the Soviets to eliminate the United States from Asia as well as from Western Europe and the Middle East.

There is a significant faction in the Australian Labour Party that is pushing for Australia to take the same kind of action.

Briefly

● **RADIO KABUL** confirmed on Sept. 23 that French TV reporter Jacques Abouchar has been captured by Afghan-Soviet troops. The kidnap took place not in Afghanistan, but in the Baluchistan province of Pakistan. Abouchar was captured last Monday after a battle between Afghan-Soviet troops and Afghan resistance fighters.

● **FRENCH DOCTORS** have proclaimed that they are practicing euthanasia and are urging other physicians to support the legalization of "mercy killing" for the terminally ill who "want to die." In a statement published in the daily *Le Monde* on Sept. 20, five prominent physicians admitted helping "patients in a terminal stage of illness to end their lives in the least painful way possible." The doctors said that "medical ethics" "implied respect for people and for life," which for a person in pain meant "to also respect the conditions of his death."

● **THAILAND'S** former Supreme Commander of the Armed Forces has come out with an endorsement of the Kra Canal project. The endorsement opens up a public debate in the Thai military which could shift the balance in favor of the canal, which would relieve the overburdened Straits of Malacca shipping route from the Pacific into the Indian Ocean. The Thai Communications Ministry, the Fusion Energy Foundation, and *EIR* are sponsoring an Oct. 31-Nov. 1 conference on the project in Bangkok.

● **AN INDIAN** astronaut will join a U.S. space shuttle voyage in 1986. The voyage will also carry India's U.S.-built INSAT-1C weather and communications satellite. Last April, India's first man in space went up aboard the Soviets' Soyuz T-11 spacecraft. The Indian government announced on Sept. 27 that it had accepted the invitation from the United States to provide a shuttle crew member.

The arms control mafia tightens grip on Reagan

by Kathleen Klenetsky

As this issue of *EIR* went to press, President Reagan and Foreign Minister Andrei Gromyko were still in the midst of their Sept. 28 meeting at the White House. But it isn't necessary to have the "inside story" on what the two men may have discussed, or even possibly agreed upon, to understand the real implications of their tête-à-tête.

As events over the last few weeks have demonstrated with shattering clarity, Henry Kissinger and the arms-control mafia he represents have deftly exploited the President's election-year desire to appear as a man of peace to worm their way right into the middle of Reagan administration relations with the Soviet Union.

Even if the Reagan-Gromyko conference produces nothing of substance, the Kissinger crowd is confident, reliable sources say, that they are now in a position to convince the President to continue discussions with the Soviets through various official and unofficial channels. By embroiling the President in such a process, the Kissinger crowd expects to be able to force Reagan into making key concessions, especially in the area of space-defense, by constantly holding up the prospect that the U.S.-Soviet dialogue will fall apart should the United States fail to satisfy Moscow's demands.

Henry's back in town

After an intensive, two-year campaign to get himself hired as the Reagan administration's major "backchannel" to Moscow, Kissinger has apparently achieved that goal. Using the opportunity presented by the Reagan-Gromyko meeting, Kissinger and his collaborators, both in and out of government, are now carefully steering President Reagan down the same primrose path of the "arms-control process" through which Kissinger convinced another conservative president,

Richard Nixon, to negotiate away U.S. strategic superiority to Moscow via the 1972 SALT I and ABM accords. In what has to be one of Kissinger's more obscenely cynical moves, the former secretary of state even arranged to have Reagan sit down for an off-the-record session with Nixon on Sept. 24, just a few days before the President's meeting with Gromyko.

How significant a role Kissinger is now playing vis-à-vis the Reagan administration was dramatically highlighted when he stopped by the White House on Sept. 25 at Reagan's invitation to "counsel" the President on how to conduct his meeting with Gromyko.

According to one Washington insider who maintains close contacts with Kissinger circles as well as with the administration and who recently returned from Moscow, "Kissinger was sent in there to train the President on how to handle Gromyko."

Emerging from the meeting, Kissinger declared that President Reagan has apparently made up his mind to "move toward negotiated coexistence with the Soviet Union." He said: "I believe that in a crab-like manner [the Soviets] are going to move toward negotiations with us." Kissinger announced that he was "convinced the President is absolutely prepared" for the meeting, and forecast that Reagan would stay on this "negotiations" course after the November elections, because "he is running for history and not for any other office."

Although Kissinger refused to provide details on his meeting with Reagan, it's not hard to figure out what advice he offered the President. For the past months, Kissinger has been using every opportunity to spread the KGB disinformation line that the Soviets are now sincerely interested in

restarting arms-control talks with the United States and has been confidently predicting that "serious negotiations" between the superpowers were on the immediate horizon.

Before his meeting with Reagan, in fact, Kissinger had gone on ABC-TV's "Good Morning, America," where he baldly lied that "we are at the beginning of a Soviet peace offensive." Kissinger predicted that "there definitely will be a warming of relations" between the United States and the Soviets, and that negotiations between the superpowers are a certainty. "The only challenge is what you bring to the negotiating table." Kissinger then apologized for the Soviets' vicious attacks on the President and the United States, claiming that their harsh statements are merely a rhetorical "wrapping" around their sincere desire to negotiate.

Kissinger repeated this disinformation on the McNeill-Lehrer public television show Sept. 27, claiming that, while Soviet rhetoric may be "extravagant," their actions "are extremely cautious. Their rhetoric is to cover a retreat," Kissinger asserted. "We are not anywhere near the danger of war."

Asked by an interviewer whether the post-election President Reagan would be the Reagan who viewed the Soviets as an "evil empire" or a moderate Reagan, Kissinger gloatingly replied: "We will see the new conciliatory Reagan. . . . I have *no doubt* that he will pursue this policy."

Reagan's 'crumbling empire' fantasies

What could account for Reagan's giving so much credence to Kissinger, whose sell-out arms-control policies he had explicitly campaigned against in 1976 and 1980?

According to highly informed sources, the President has been conned into believing that the Soviet Union is a "crumbling empire," collapsing under the combined weight of religious and ethnic dissent and severe economic problems, and is therefore being forced to seek an accommodation with the West.

Reagan is being fed this hogwash by key advisers in the administration, as well as by the likes of the Rev. Billy Graham, who just returned from a tour of the Soviet Union claiming that the Soviets are "desperate for peace"—a KGB lie that Graham has obediently conveyed to the President.

The truth, which Reagan advisers like Kissinger protégé Robert McFarlane, head of the National Security Council, Kissinger crony George Shultz, and Kissinger himself are carefully concealing from the President, is that the Soviets are using their phony "peace offensive" as a cover for escalated war preparations.

'Step-by-step' to defeat

Kissinger's highly publicized meeting with the President demonstrates that the United States' most notorious Soviet agent of influence is close to success in his drive to take over White House strategic policymaking. Warnings from *EIR* founder, Democratic presidential candidate Lyndon H. LaRouche, Jr., that Kissinger was moving to exert a dominant influence over the administration are now demonstrated

to have been completely accurate. As LaRouche has also warned, the key target of Kissinger's machinations is the U.S. Strategic Defense Initiative, which Moscow is demanding be dropped as part of the "New Yalta" deal which Kissinger and his friends in the Western oligarchy believe they are making with the Kremlin.

President Reagan's speech to the United Nations on Sept. 24 indicated the strength which the Kissinger "New Yalta" approach has gained over the President. Every specific proposal in the President's speech was taken straight from Kissinger (and Mondale)—including the proposals for regular summits between the American President and his Soviet counterpart, for periodic meetings between cabinet-level personnel from both sides, and the suggestion that Reagan was prepared to discuss "measures of restraint" while negotiations proceed on the "militarization of space."

The speech was littered with references to "step-by-step negotiations" and other Kissingerian formulations. One of the centerpieces was the call for increased informal contacts between both sides—a mode of operation Kissinger used to create a controlled environment around the ABM and SALT I negotiations, in which President Nixon was conned into giving away the store.

While stressing that his main objective was to create a "new beginning" for U.S.-Soviet relations and establish a long-term "framework" for arms negotiations between the superpowers, Reagan in fact ignored the only realistic such framework—the fullscale U.S. commitment to full military readiness, including a crash program on particle-beam-weapon defense.

The President's discussion of the Strategic Defense Initiative (SDI) was noncommittal, but framed in language geared not to be abrasive. Stating that opening talks on the "militarization of space" should take place by the end of this year, or early next year at the latest, Reagan said he would also consider "measures of restraint" that could be taken on space matters during the talks. This is a direct reference to the Kremlin's insistence that such negotiations be preceded by a mutual ban on the testing and deployment of all space-defense-related technology, including the series of American ASAT tests scheduled for the fall.

Since it is still unlikely that Reagan would willingly accede to the Soviets' demand that the United States abandon its beam-weapons program outright, Kissinger has come up with a new twist aimed at convincing the President to "trade away" the SDI at the negotiating table in exchange for some meaningless Soviet concessions.

Kissinger laid out this Jesuitical approach in a Sept. 23 syndicated column, which appeared in the *Los Angeles Times* and dozens of newspapers around the world (see Documentation). There, Kissinger poses as a convert to the SDI program, but then reveals what his true intentions are: "Perhaps the most compelling argument [for developing space weapons] is the possible beneficial effect of some missile defense on arms control," Kissinger writes. Noting that the "center-

piece" of the Soviet "peace offensive . . . will be the demilitarization of space," Kissinger advocates that the United States "be prepared to negotiate over arms control of *all* defensive weapons" and reach an agreement for "limited defense" with the Soviet Union.

In other words, the major purpose of strategic defense is to be used as a bargaining chip—not as a means of freeing the world's population from the balance of nuclear terror instituted by the Kissinger-authored doctrine of Mutual Assured Destruction.

Kissinger, the Kremlin, and Walter Mondale

What Kissinger is doing is playing a role in a sophisticated "inside-outside" job which the Soviets and the "New Yalta" crowd in the West are jointly running on Reagan. According to the way this gameplan has started to operate, Kissinger advises Reagan to make certain offers, which the Soviets then reject as inadequate, at which point Mondale or some other representative of the U.S. arms-control crew starts whining that Reagan is insincere about reaching an agreement with the Soviets. Kissinger then intervenes, urging Reagan to be just a wee bit more generous, and so on, until such point that the President has been hornswaggled into dismantling the national defense.

All the while this charade is going on, of course, the Soviets are continuing their intensive military buildup, keeping open the possibility of an actual military strike into Western Europe should that be required to force the United States into making what Moscow deems sufficient concessions.

This game is already in full swing. Just hours after Reagan's conciliatory U.N. speech, TASS issued a dispatch charging that it was "a vessel with nothing inside it," and "contained no indication of change in the essence of present United States policy" of achieving "military superiority." This statement was echoed nearly verbatim by Mondale, who charged that same day in a speech in Washington that Reagan's U.N. address was the product of a "deathbed conversion" of which voters should be "skeptical." "This presidential sea change," said Mondale, "raises a crucial question: How can the American people tell which Reagan would be President if he were elected?"

Two days later, Gromyko addressed the United Nations, demanding that the Reagan administration produce "deeds, not words" and proceed with agreements to ban weapons in space. Gromyko blasted the administration, charging that the "tug-of-war between the groups that determine U.S. foreign policy has been won by the militaristically minded." He accused U.S. officials of making "statements . . . that the United States is within its right to deliver a first nuclear strike, that is to say, to unleash a nuclear war." The West, he went on, "would have people believe that they favor a reduction in world tensions, but only by establishing more and more military bases, by militarizing outer space, and by deploying new kinds of U.S. nuclear weapons in Europe."

Gromyko's speech came just hours before his 1½-hour

meeting with Walter Mondale, at which, Mondale reported, the main focus of discussion was how to stop space-weapons. Mondale told a press conference that he had stressed to Gromyko that the world is at "a fateful point," and that if a ban on weapons in space is not negotiated now, a "dangerously destabilizing" situation will occur. Mondale also disclosed that Gromyko had told him much the same thing.

Shortly after the Gromyko-Mondale meeting, TASS issued another statement, which simultaneously castigated the Reagan administration while lavishing praise on Mondale. The TASS statement accused the administration of having "wrecked" negotiations on arms control, including "all questions dealing with the cessation of the arms race." By contrast, said TASS, Mondale's ideas on arms control "would open up certain possibilities for bringing the positions of the two powers closer."

Documentation

Statements by Kissinger, Reagan, and Gromyko

Excerpts from Henry A. Kissinger's Sept. 23, 1984 syndicated column "Should We Try to Defend Against Russia's Missiles?"

We may be witnessing the preliminaries of a Soviet peace offensive. . . . The Soviets seem intent on showing a milder face to the world. A full-scale peace campaign may await the outcome of our elections. But there can be little doubt that its centerpiece, whenever it comes, will be the demilitarization of space. . . .

The Soviets have been vociferous about banning defensive weapons in outer space, where U.S. technology is superior. They have been ambivalent or silent about land-based defensive weapons, in which they have conducted vigorous research. . . .

I have not yet made up my own mind on what position the United States should ultimately take on that issue [whether to deploy a space-based ABM]. I was less than enthusiastic about President Reagan's "Star Wars" speech when I first read it. . . . [A] foolproof defense of civilian population—that seemed implied by that speech—is a mirage; even a 90% defense would still let enough weapons through to destroy an unacceptable proportion of our population.

As I reflected, that argument more and more struck me as superficial. . . .

Perhaps the most compelling argument is the possible beneficial effect of some missile defense on arms control.

Arms-control theory is now at a dead end; the stalemate in negotiations reflects an impasse in thought. The reductions proposed by the Reagan administration would add little to stability; the freeze which is its alternative would perpetuate what needs correction.

A breakthrough requires reductions of the numbers of warheads on a scale inconceivable so long as the strategic balance depends entirely on offensive weapons. . . .

The real debate will be joined after the American election. Theoretically, both superpowers should have an interest to prevent war by miscalculation and irresponsible third nuclear powers from blackmailing them with nuclear weapons. Neither side can gain from seeking unilateral advantage.

Thus, a renewal of negotiations will be a test less of ingenuity than of political maturity. . . . This article argues that some limited defense—yet to be analyzed—coupled with a revolutionary approach to reduction of offensive forces by agreement may advance us toward the elusive goal of stability. It remains to be seen whether we can overcome debate by sloganeering and internationally whether the superpowers can move the quest for peace from polemics to a joint enterprise.

Excerpts from President Reagan's address to the United Nations General Assembly, Sept. 24, 1984:

We recognize that there is no sane alternative to negotiations on arms control and other issues between our two nations [the U.S. and the Soviet Union], which have the capacity to destroy civilization as we know it. . . .

I propose that our two countries agree to embark on periodic consultations at policy level about regional problems. We will be prepared, if the Soviets agree, to make senior experts available at regular intervals for in-depth exchanges of views. I've asked Secretary Shultz to explore this with Foreign Minister Gromyko.

I am committed to redoubling our negotiating efforts to achieve real results. In Geneva, a complete ban on chemical weapons; in Vienna, real reductions to lower and equal levels in Soviet and American, Warsaw Pact, and NATO conventional forces; in Stockholm, concrete practical measures to enhance mutual confidence to reduce the risks of war and to reaffirm commitments concerning non-use of force. . . .

I believe the proposal of the Soviet Union for opening U.S.-Soviet talks in Vienna provided an important opportunity to advance these objectives. We've been prepared to discuss a wide range of issues . . . such as the relationship between defensive and offensive weapons, and what has been called the militarization of space.

During the talks, we would consider what measures of restraint both sides might take while negotiations proceed. . . .

Our approach in all these areas will be designed to take into account concerns the Soviet Union has voiced. It will attempt to provide a basis for an historic breakthrough in

arms control.

I'm disappointed that we were not able to open our meeting in Vienna earlier this month. . . . I hope we can begin these talks [on space weapons] by the end of the year or shortly thereafter.

There's much more we [the superpowers] could do together. I feel particularly strongly about breaking down the barriers between the peoples of the United States and the Soviet Union and between our political, military, and other leaders.

Now, all of these steps I've mentioned, and especially the arms-control negotiations, are extremely important to a step-by-step process toward peace. But let me also say we need to extend the arms-control process to build a bigger umbrella under which to it can operate; a road map, if you will, showing where during the next 20 years or so these individual efforts can lead.

This can greatly assist step-by-step negotiations and enable us to avoid having all our hopes or expectations ride on any single set of series of negotiations. If progress is temporarily halted at one set of talks, this newly established framework for arms control could help us take up the slack at other negotiations.

Excerpts from Soviet Foreign Minister Andrei Gromyko's address to the United Nations General Assembly, Sept. 27, 1984:

It is necessary to single out the question of preventing the race in nuclear and other weapons in outer space, which some people want to turn into a springboard for waging war. And we know who this is, who these people are.

The extension of the arms race to outer space, unless checked in time, could become an irreversible process.

It is our belief that the U.S.S.R. and the U.S.A. . . . should do everything in their power to keep outer space peaceful. . . . But responsibility for the failure to hold the talks [on space weapons] lies wholly with the U.S. side. Washington is unwilling to engage in talks.

We urge the U.S. government to recognize that the militarization of outer space threatens the whole of mankind, including the American people themselves. . . .

In other words, agreement must be reached on the prohibition and elimination of space-attack weapons of all systems and kinds. . . .

In recent years, [U.S.-Soviet] relations have been disrupted through the efforts of Washington. They have spared no effort to wreck all the gains that have been accomplished. . . . What is more, they virtually flaunt their indifference to the reputation of the U.S. side as a partner in international affairs. . . . Those who dictate U.S. policy today have a great deal to do if they want the words and obligations they assume to be trusted.

The Soviet Union believes that it is precisely concrete deeds and not verbal assurances that can lead us to the normalization of the situation in our relations with the U.S. . . .

Documents of the Westmoreland case: Why Lt. General Graham won't sue CBS

To hear Gen. (ret.) Danny Graham tell it, he is the patriot's patriot—the biggest defender of President Reagan's Strategic Defense Initiative (SDI). As usual, Danny Graham is lying.

Graham's "High Frontier"—a program for putting every conceivable kind of junk from giant tomato soup cans to paper clips into orbit—is obviously a joke. But it's a dangerous joke. If Graham is successful, the United States will be without a strategic defense in a period when the Russians are on an all-out drive for world domination.

Is Danny Graham a KGB agent working to sabotage U.S. defense? His record of slurs against the Soviet's No. 1 enemy, Lyndon LaRouche, would tend to vindicate that conclusion. But of one thing we can be sure: Danny Graham is a liar.

Sworn affidavits on file in the famous case of *Westmoreland v. CBS* emphatically demonstrate the point. In January 1982, CBS broadcast a special documentary entitled "The Uncounted Enemy: A Vietnam Deception." The documentary attacks the military, especially Westmoreland and Danny Graham, for falsifying pre-Tet Offensive reports on the actual troop strength of the enemy in Vietnam. The falsification was allegedly designed to inveigle Congress and the American public into accepting the military's idea that we were winning the Vietnam war.

Westmoreland sued, but Graham did not and for good reason. The sworn statements of senior intelligence officials show why:

Affidavit of Norman R. House: House is a former intelligence officer and analyst with the U.S. Military Assistance Command Vietnam (MACV) who spent 19 of his 20 years in the military in intelligence work.

Par. 11. My most vivid memories of the daily briefings involved a Colonel named Daniel Graham. He was an arrogant man who was not willing to accept intelligence information that conflicted with his preconceived notions of how the war was progressing. He seemed obsessed in his deter-

mination to prove that we were winning the war of attrition and was unwilling to accept any intelligence information or analysis to the contrary. He would blatantly disregard reliable evidence and berate and humiliate those analysts who tried to present intelligence information which showed an increased enemy presence in South Vietnam. I was one of many analysts who had no respect whatsoever for Graham as an analyst.

Par. 12. Daily briefings on increased enemy infiltration into South Vietnam were common in the months prior to Tet. I would regularly receive reports about abnormally large sightings of enemy forces moving down the Ho Chi Minh Trail into South Vietnam. Graham always went out of his way to disparage such reports. For example, if we received four separate field reports about the presence of new enemy units in I Corps, Graham would contend that it was the same units being reported four different times, never considering that it may have been four different units. There was a general feeling of disgust among analysts that Graham so blatantly disregarded the evidence of increased enemy infiltration.

Par. 13. I recall one particular briefing several weeks before the Tet Offensive in which an analyst was presenting extracts from captured enemy documents which showed that a big offensive was coming and that the enemy was planning to march on Saigon and that the South Vietnamese were going to rise up and throw out the American forces. Graham just sat there and laughed. He dismissed the information as Communist propaganda without attempting to verify its authenticity.

Par. 14. Even while the Tet Offensive was in its earliest phases, Graham was still trying to downplay its significance. Just after the offensive began, I was called to MACV headquarters to work with Graham on a briefing for General Westmoreland and to explain the countryside situation. I recall that while we were preparing this report, Graham was laughing. He told me, "When the smoke clears in a day or so, we'll learn that there were only a few enemy units out there, and then we'll all have a good laugh." I remember wondering at

the time what kind of whitewash would occur to explain away how this offensive was possible.

Affidavit of Russell E. Cooley: Cooley was a senior officer in South Vietnam supporting MACV intelligence.

Par. 27. In or about April or May 1968, I attended a meeting at which the Deputy MACV J-2 (name not recalled), Col. Graham, Cmdr. Meacham, and Lt. Gattozi were present. During this meeting we discussed proposed methods of reconciling the official MACV pre-Tet Order of Battle and infiltration reports with the massive enemy losses during the Tet Offensive. The discussion was carried on principally between Cmdr. Meacham and Col. Graham. Col. Graham proposed to revise the enemy strength holdings in a way that was totally unacceptable to Cmdr. Meacham. Cmdr. Meacham was extremely upset about Graham's proposal, because it was Meacham's perception that he was being told to alter the historical "data base." Upon his return to CICV, he remained extremely angry and protested this action to the chain of command above him.

Affidavit of Francis A. Braccio: Braccio was an intelligence officer and analyst with MACV.

Par. 10. In April 1968, on the eve of an Order of Battle (OB) conference to be held in Washington, D.C., then Col. Daniel Graham came to my office to ask about our latest Political OB estimate. Lt. Robinson joined us. Graham started the conversation by saying, "I am not here to ask you to lower your numbers, but what is your estimate?" or words to that effect. I found that to be a strange introduction to the subject. Robinson gave Graham our most recent estimate of the total size of the enemy's political infrastructure which, to the best of my recollection, was a figure of 94,000. Graham then asked whether we had a range for this estimate. To the best of my recollection, we told him that in a worst scenario/best scenario situation, a range of 74,000 to 114,000 was possible. Graham said, "I can live with that," and then departed.

Par. 11. After our conversation with Graham, we submitted the 94,000 figure as our latest estimate of total enemy strength for the political infrastructure. However, the next official report which appeared on the subject cited a figure of 74,000 for this category. I recall that Lt. Robinson was very angry about this reduction in our estimate and viewed this as a distortion of the intelligence process.

Affidavit of Richard D. Kovar: Kovar is a senior intelligence officer with 30 years experience in the CIA.

Par. 20. I saw Sam Adams less and less frequently after I left the DDI's office for the second time. Each time I did see him, however, he would tell me of military analysts he had located who had worked for MACV or CIA and who attested to unprofessional practices and downright falsification of order of battle data by or at the direction of their superiors. Many of the trails led ultimately to Lt. Gen. Daniel

O. Graham, a man I had known and despised as major and later colonel. Danny Graham, an upward-climbing careerist who let nothing and nobody stand in the way of his grand-standing efforts to win the favorable attention of his superiors. Graham was and is infamous in the intelligence community as a man who would take whatever analytical position he thought would bring him the greatest rewards from his superiors and pursue that position doggedly—or change it for another if expedient—regardless of facts, logic, or analysis which indicated a contrary conclusion. I was frankly surprised at the number and consistency of these accounts; I had not realized how many people had been involved in the process, how deliberate and long-standing the falsification had been, how deep down and far up it had gone, nor how regretful, remorseful, and bitter it had left the lower-level participants.

Affidavit of George Hamscher: Hamscher is a retired colonel who was contacted by Westmoreland's attorney. He did not wish to be interviewed but answered questions submitted to him in writing.

i) Question 3: Do you believe that MACV's figures were better, as good, or worse than CIA's and why?

Answer: From evidence later developed (particularly after our pullout) it certainly appears that CIA's figures were better than MACV's. Sam Adams has considerable information on this question. During the negotiations I was convinced up to a point that MACV's figures were at least as good as, or no worse than, CIA's. After all, CIA had to work from MACV reportage. I don't think CIA had any in-country resources reporting separately. CIA had a way of extrapolating figures from what I call "soft intelligence." The incident that most clearly marked the real nature of our negotiations was Graham's arbitrary wholesale deletion from the Order of Battle of entire enemy units in order to bring the figures under the ceiling. . . .

ii) Question 7: During our telephone conversation, you said that it got to a point where MACV's numbers didn't make sense. What does that phrase really mean? In what way did they not make sense?

Answer: The strength figures didn't fit the Order of Battle. Graham had devised an "all-purpose gain-loss formula" by which he could "prove" almost any strength. It involved some long-suspect "body-count and infiltration" statistics. We reached a point where even the formula couldn't justify the numbers.

iii) Question 10: Is it true or false that Danny Graham ordered "arbitrary cuts in enemy troop strength during the SNIE conferences." Who was present? Did anyone object?

Answer: Danny Graham made arbitrary cuts in enemy strength, by reduction of unit totals and deletion of units. Of the five or six people present then, I only remember Barrie Williams by name. Details are overshadowed by the event itself. . . .

Elephants and Donkeys by Kathleen Klenetsky

All eyes on Texas

In the week of Sept. 17 the *Houston Chronicle*, one of the two major papers in Texas' largest city, ran a headline saying that the Mondale-Ferraro campaign has given up on the state of Texas.

All hell broke loose in the press rooms of the Democratic party.

The fact is, that if Walter Mondale does not take Texas, there is no way that he can have even a chance of winning the November election. For Mondale to concede defeat in Texas is the equivalent of telling the troops to call off the battle right now.

Texas has 26 electoral votes, and as a Southern state, has traditionally been Democratic territory. All this changed in the 1980 elections. Fed up to the gills with the anti-industrial lunacy of the Jimmy Carter-Mondale administration, Texas Democrats voted en masse for Ronald Reagan, and then proceeded to move into the Republican party as well. Despite the disasters which have occurred under the Reagan administration, that anti-Carter/anti-Mondale sentiment has not disappeared.

But Mondale has *not* conceded Texas, his campaign aides hastened to correct the *Houston Chronicle*. Since that time Mondale has been in the state at least once. But to take a look at the party's situation in the state, they might as well have.

Fiasco in Dallas

September 7 and 8 were set as the kickoff dates for the party's electoral drive. Those were the dates of the Texas State Democratic Party convention, called for the huge convention center in Dallas. Geared as a big morale-booster, the convention was the opposite. Less than 3,000 of the 11,000 delegates and alternates chose

to show up. The biggest celebrity there was Walter Mondale's sedentary son, William.

In one respect, the Texas party leadership didn't mind. The lack of turnout gave party boss Bob Slagle the ability to ram through, or defeat, just about any resolution that he wanted to. One of the most flagrant cases was the vote to lower the "percentage threshold" required to qualify delegates to the Democratic convention from 15 to 10%—a measure in much demand especially among black Democrats as a means of allowing greater equality.

Slagle demanded that this vote, as many others, be a voice vote only. Although the threshold reform was clearly cried up, Slagle arbitrarily declared it voted down.

When he tried the same thing on the next vote, he was finally challenged from the floor. In a "stand-up count," he clearly lost.

Slagle was also unsuccessful in totally suppressing a challenge to his position as state chair by Nicholas Benton of the National Democratic Policy Committee. Benton addressed the agricultural, non-urban, and Mexican-American caucuses. When Slagle's flunkies tried to drown out Benton's call for a repudiation of Mondale and endorsement of Independent Democrat Lyndon H. LaRouche, Jr., they were drowned out by others who intensified their applause.

The vulgarity of the entire affair was evident in Slagle's choice of entertainment. He welcomed to the stage a homosexual "avant-garde" group called "Women Against Ladies," which put on a thoroughly tasteless parody of Republican women.

Manatt brings in the \$

It was none other than Charlie "The Tuna" Manatt who came into the state

to try to pick up the pieces the next week. Manatt announced that the Democratic Party was going to spend a lot of money in Texas. In other words, Charlie was announcing that he hoped Texas Democrats were up for sale.

He did reveal that local black traditionalist politician Al Edwards, formerly Jesse Jackson's statewide campaign chief, had agreed to accept a state chairmanship and national vice-chairmanship of the Mondale campaign—despite the fact that Edwards had, up until that moment, refused to even follow Jesse Jackson's lead in endorsing the national ticket! This was an especially important victory for the Manatt-Mondale leadership—since the blacks in the Texas party are very disaffected. Well over 50% of the 80,000 Democrats who signed the nominating petitions for Lyndon LaRouche were blacks, for example.

Manatt's press conference, held Sept. 15, was ostensibly called to introduce local congressional candidates. Most of them, however, refused to show up, and Manatt wasn't too happy about one of them who did.

On hand to greet Manatt was Bill Willibey, a LaRouche Democrat running in the 7th Congressional District. Willibey, of course, does not support the Mondale ticket; no patriotic American would. Instead, he has thrown in his lot with the independent candidacy of Lyndon LaRouche. LaRouche is the only alternative to Mondale and Reagan on the Texas presidential ballot.

Seeing that Willibey was present, Manatt and his pal Slagle, decided not to introduce any congressional candidates. But one reporter let out the real story as to why not. It appears that *four* members of the Texas Congressional slate—Ralph Hall, Sam Hall, Charlie Wilson, and Bill Willibey—have all refused to support the presidential ticket!

Kissinger Watch by M.T. Upharsin

The man everyone hates the most

In gathering 350,000 signatures on a petition in support of the Schiller Institute to "Save the Western Alliance—Destroy Henry Kissinger," in five months, one of the most remarkable phenomena discovered by petitioners was the breadth of individuals' reasons for hating and despising Henry Kissinger.

The Schiller Institute was founded by Helga Zepp-LaRouche, wife of independent presidential candidate Lyndon H. LaRouche, to rebuild the alliance between Western Europe and the United States in the face of Soviet and Kissingerian efforts to "decouple" the defense of the West.

Representatives of every ethnic group met on the streets of "melting pot" U.S. cities, people including Park Avenue matrons and hot dog vendors, and thousands of visitors from Europe, the Middle East, Ibero-America, Africa, Asia, and Australia had compelling reasons to sign up against Henry.

While, in the heat of their emotional response to the decades of Kissinger's treachery against the nations and people of the West, not all perceptions of Henry's activities were completely accurate, each gestalt of Henry's intentions had an unmistakable ring of truth. But most people were remarkably well informed about Kissinger's evil career.

Greeks signed the petition and then turned to passersby and demanded they sign as well. "He betrayed us on Cyprus," one said. "I'll never forget."

A woman from Latvia announced that Kissinger was "personally re-

sponsible" for giving the Baltic states to the Russians.

'The worst dog there is'

In New York's Union Square, known haunt of fellow travelers, a middle-aged woman attempted to stop a black worker who was about to sign the petition. "That's a very right-wing group," she cried hysterically. "Lady, I don't care," the man answered. "Kissinger's a dog—the worst dog there is."

World War II veterans volunteered to petitioners that Kissinger is a Communist, and a Soviet spy: "I know—I've been in Europe and fought there." A Vietnam veteran summed up most precisely the reactions of hundreds of his fellows when he said simply: "Kissinger is a butcher."

"Don't tell me about it, I'll sign," one college professor said. "I know about this monster."

Pakistanis held Kissinger responsible for the death of their national leader Ali Bhutto in 1979 after the Kissinger-engineered coup by Zia Ul-Haq.

Iranians told petitioners that Henry Kissinger and David Rockefeller, who invited the deposed Shah to come to the United States, had set him up to be thrown out of the country—when he was dying of cancer.

Brazilians chortled at the news that Henry was trapped in the Argentine presidential palace by angry demonstrators after his Sept. 13 meeting with President Alfonsin. "That man destroyed my country," one said.

An older Jewish woman signed, remarking, "He divorced his Jewish wife, who helped him when he was poor, to marry that *shiksa*—and on a High Holy Day, too!"

An Israeli criminal lawyer signed the petition after declaring: "I hate Henry Kissinger—he's treacherous."

An immigrant from South Africa,

her tone echoing Americans' denunciations of the disaster in Vietnam, stated: "That sonofabitch got us into Angola." An couple from South Africa, who live in London who and summed up their history of Kissinger-engineered disasters by saying: "He has done more to destroy the West than anyone else."

Some people had reasons of a more aesthetic nature. One woman, an immigrant from Austria, said "Kissinger has the ugliest voice I ever heard." An Italian, challenged why he didn't like Kissinger by one of Henry's few fans, retorted, "I don't like his face."

And then there are those who knew Henry personally. A young waiter, who served Henry at an exclusive New York club, shuddered to hear the report of the young Romanian waiter who met a violent end after he refused Henry's advances at a drunken orgy in Acapulco. "I'll be careful," he said. "That guy is always really snotty to all of us."

An older waiter had also tangled with Henry—but prevailed. This man, a long-time employee of one of New York's more exclusive hotels, reported to a Schiller Institute organizer that Henry was extremely contemptuous in demanding service, snapping his fingers to call the waiter over.

The man told Kissinger, "If you want attention, use my name, Joe. It's printed right here," indicating his name tag.

Kissinger, outraged, reported Joe to the management, but got no recourse there. "If Joe told you that," the manager said to him, "he must have had a very good reason."

But Henry has his compensations. Transvestite Boy George was totally outraged when he encountered two Schiller Institute supporters at New York's LaGuardia Airport. "How can you say that," he fumed. "I know Henry Kissinger—he's a very nice man."

Economic Committee wants food trade war

Days after Henry Kissinger warned that the United States would embark on a trade war unless other nations dropped their mercantilist economic policies, several former secretaries of agriculture have demanded such a strategy for American food policy. Before a Sept. 27 hearing of the Joint Economic Committee, chaired by Sen. Roger Jepsen (R-Iowa), former USDA heads Clifford Hardin, John Knebel, Earl Butz, and Bob Bergland called for using America's 'comparative economic advantage' in agriculture to force other countries to begin the kind of production cutbacks that the United States has carried out in the past two years.

The real theme of the hearings, titled "Perspectives on the Future of American Agriculture," was the international grain cartel's dictat that there is a food surplus—a lie has been exposed on national television by independent Democratic presidential candidate Lyndon H. LaRouche, Jr. Both Jepsen and Butz argued that only the U.S. has taken the necessary steps to reduce production in the face of this "surplus," but that its policy has been counterproductive due to other nations' failure to cooperate.

"How do we unleash the tremendous productive capacity of Middle America's bread basket?" Butz asked. "How do we redirect world grain production to areas of greatest efficiency and lowest unit cost, both at home and abroad?" Jepsen added, "U.S. farmers and their land should be the last to be retired from food production, including those farmers currently under financial stress and facing bankruptcy. . . . Unilateral U.S. supply control programs have had the tragic con-

sequence of substituting less-efficient foreign producers for more-efficient U.S. producers. If indeed, fewer resources should be devoted to food production, I suggest we begin with the French!"

Bergland, one of the grain cartels' top international spokesmen, concurred that "governments establish food policies that sometimes neither recognize nor respect the doctrine of comparative economic advantage."

To restore this "comparative economic advantage" to agriculture, Jepsen, Butz, and Bergland demanded that the U.S. return to more competitive, free market pricing policies for agriculture. Bergland said, "I am no longer a supporter of the volutary target price concept in farm programs, because of the cost to the Treasury."

Butz laid out the policy for the 1985 farm bill: "The key words will be: efficiency; lower unit costs; competitive pricing in export markets . . . and a signal to our competition abroad that the 'honeymoon is over.'"

Moynihan: Allen Dulles ideal for CIA

Senator Daniel Patrick Moynihan (D-N.Y.), Averell Harriman's representative on Capitol Hill, introduced legislation on Sept. 27 to restrict the appointment of future CIA directors to "career intelligence officers." Moynihan, an ardent critic of the Reagan administration's strategic, military, and foreign policies, charged that political appointments have damaged the "competence" of the agency.

As an example of the kind of "career professional" he hopes will run the CIA, Moynihan cited Allen Dulles, the man who integrated the Nazi intelligence apparatus into post-war West-

ern intelligence capabilities. That Nazi element has created the Nazi-communist operatives in international terrorism today, and is a critical reason why the United States is blinded in its efforts to combat terrorism. Moynihan gushed: Dulles "might appropriately be called the prototype of the modern intelligence professional."

Moynihan protested that his bill, S. 3019, is not an indictment of any particular individual, but he attacked President Reagan's appointment of Max Hugel as Director of Clandestine Operations in 1981. Hugel, who was shortly removed in a Watergate operation, is generally critical of William Casey's current tenure.

That Moynihan has something other than strengthening the CIA at heart was made clear in a speech on the Senate floor delivered shortly after his discussion of S. 3019. Moynihan violently attacked President Reagan for his recent statement that the dismantling of U.S. intelligence capabilities under the Carter administration had been, in part, responsible for terrorist bombings of U.S. facilities in Lebanon. Despite the painful truth widely acknowledged in the intelligence community, that Carter's CIA Director Stansfield Turner carried out a purge of competent intelligence operatives during his tenure, Moynihan charged that "the President was wrong in what he said and wrong to say it."

Senate majority endorses unconstitutional veto

Fifty-one senators, 42 Republicans and 9 Democrats, have endorsed a letter calling for a measure to give the White House a "line-item veto"—the authority to veto individual items in bills passed by Congress without having to

veto the entire context of the bill.

Under the currently accepted interpretation of the Constitution, the President has no such power. Such power would abrogate separation of powers and would put the President in the position of making the kind of detailed decisions mandated to the legislative branch.

Proponents of the legislation, led by chief sponsor Mack Mattingly (R-Ga.) and Joe Biden (D-Del.), are part of the increasingly hysterical budget-cutting faction in Congress who complain that Congress cannot resist the influence of interest groups, and will not cut favored programs—denying that responding to constituencies was a reason for the founding of the American Republic and the writing of the constitution. The measure has a two-year “sunset clause,” or automatic expiration date that will give Congress a chance to evaluate the results before deciding whether to continue the process, according to Mattingly. The measure will be offered as an amendment to a yet-unnamed bill in the Senate before the Oct. 5 recess.

Spector introduces anti-terror legislation

Senator Arlen Specter (R-Pa.) introduced S. 3018, the “Protection of United States Government Personnel Act of 1984,” on Sept. 25 to strengthen the fight against terrorism. The bill would give U.S. courts jurisdiction to prosecute, convict, and imprison foreign nationals for any terrorist acts against U.S. government personnel, regardless of where the offense occurred and whether the terrorist was extradited or kidnapped and brought before a U.S. court.

“It may surprise some to hear that abduction or kidnaping is an appropri-

ate way to bring criminals to trial,” Specter said. “But to obtain personal jurisdiction over the culprit himself, the suspect must first be seized or arrested and brought to stand trial. Under current constitutional doctrine, both U.S. citizens and foreign nationals can be seized and brought to trial in the United States without violating due process of law.” Specter said that resort to such tactics may not necessarily be needed, but was important in a case such as Lebanon where law and order cannot be enforced by the government, or in nations “which flagrantly violate international law or harbor international terrorists.”

Subsection (d) of the proposed change in the U.S. code section 2321 would allow the Attorney General to “request and shall receive assistance from any Federal, State, or local agency, including the Army, Navy, and Air Force, the Federal Bureau of Investigation and the Central Intelligence Agency, any statute, rule, or regulation to the contrary notwithstanding.”

“Legislation making terrorism a crime prosecutable in the United States,” Specter said, “backed up by clear national intent to vigorously enforce that law by whatever means may be necessary, will send a signal throughout the world that will not go unnoticed—a signal, Mr. President, which is long overdue.”

House compromises on infanticide

The House of Representatives passed a compromise “Baby Doe” bill Sept. 26 to help ensure medical treatment for handicapped newborns. Under the “Child Abuse Amendments of 1984,” federal funds to state agencies that

provide child protection services will be cut off from states in which hospitals withhold treatment and nutrition from handicapped newborns.

The bill was prompted by the infamous 1982 case of a handicapped infant born in Bloomington, Indiana that died six days after birth, after his parents ordered that the infant not be fed or given surgery to correct a life-threatening condition.

Resolution condemns Nicaraguan drug running

Senator Paula Hawkins (R-Fla.) introduced a S.Res. 449 on Sept. 20, condemning the government of Nicaragua for “engaging in the international trafficking of narcotics.” The resolution follows along lines of the limited, though useful, investigation which Hawkins has conducted in her Senate Labor Committee Subcommittee on Alcoholism and Drug Abuse which has exposed the role of senior Nicaraguan government officials in narcotics trafficking. Hawkins has also been one of the first members of the Congress to investigate the interface between narcotics trafficking and terrorism.

Capitol Hill sources report that an extensive fact-finding mission to Central and Latin America is being planned for the post-election period by a delegation of Congressmen and Senators at the forefront of the narcotics enforcement effort.

Among other motivating clauses, the resolution condemns “a plan to corrupt American youth through drugs . . . conceived of and implemented by senior officials of the government of Nicaragua with the aid of senior officials of the Government of Cuba” whose “profits are used to finance terrorism. . . .”

National News

The anatomy of the 'crumbling empire' story

Will Washington ever wake up? As Henry Kissinger was appearing nationwide on *Good Morning America* Sept. 25, demanding that President Reagan make "painful sacrifices to the Soviet Union," the *Washington Post* hit the streets with the final article of a series entitled, "The U.S.S.R.: A Generation That Failed." The disinformation piece, written by Robert Kaiser, supported Kissinger's thesis that the Soviets were prepared to talk peace because "the Soviet Union today is powerful but isolated." The article charged that the Soviets' "friends are no longer friendly, China is a fearsome potential enemy on the Soviet border and the empire in Eastern Europe is in disarray, the victim of a crisis that is beyond Moscow's ability to manage. . . . The Soviet Union is back in a defensive crouch. . . . The wagons are circled, and Gromyko and his colleagues in Moscow are looking—so far without success—for a way to break out."

Robert Kaiser, the "author" of the series, was an official American delegate to the U.S.-U.S.S.R. Bilateral Exchange Conference, held in Minneapolis in May 1983. The conference, sponsored by the Institute for Policy Studies (IPS), hosted 25 Soviet officials and leaders of the U.S. peace movement. At that meeting, the nuclear freeze movement was revitalized by IPS in agreement with KGB agent Fyodor Burlatskii, whose main demand was the destruction of President Reagan's then recently announced "Star Wars" initiative.

Kaiser's editor, Karen De Young, has been a teacher at IPS and an avowed sympathizer of the Sandinista government.

Grasshopper plague on the rise

A grasshopper plague hit Idaho and parts of Utah this summer, causing so much damage to rangeland that a federal disaster was declared. A scientist with a Department of Ag-

riculture experimental group assesses that this plague will be two to three times worse next summer, hitting the range states of Arizona, New Mexico, Colorado, Utah, Wyoming, Montana, and Idaho.

Dr. John Henry of the Agriculture Department explained that the disaster declaration and associated funds allocated to stop the infestation in mid-August were too late to affect the laying of eggs which will produce next year's "plague of the locusts."

Up until 1983 when it was discontinued, ranchers could apply for federal funding of at least a third of the cost of grasshopper-control spraying. At current beef prices, ranchers have not been able to afford the \$2 to \$4 per acre to spray the acreage at risk. Out of 41.5 million acres evaluated to be "at risk," only 217,000 were treated.

'Peace' movement endorses Hitler

The "peace" movement finally publicly embraced Adolf Hitler. Richard Falk, speaking at the Second Biennial Conference on the Fate of the Earth in Washington, D.C. Sept. 22, endorsed Hitler and his Nazi Party as the models the "peace" movement should emulate.

In the speech, Falk also pointed to Khomeini as a model. He told the gathering—which included the U.S.-U.S.S.R. Youth Exchange, Zero Population Growth, the Sierra Club, and the Club of Rome—that "We of the peace movement must examine the growth of alternative movements and ask ourselves how they achieved such dramatic success. For example, who would have predicted that Adolf Hitler's movement, once the exclusive concern of a tiny minority, would rise to answer the needs, real or imagined, of the people and become so successful? The same is true of Zionism and Khomeinism. These are the models we must have present in our mind."

Falk is the Princeton University professor of international law who helped the Carter-Mondale State Department overthrow America's ally, the Shah of Iran, to bring the Ayatollah Khomeini to power in 1979. He is also a member of the Council on For-

eign Relations, participating in its "1980s Project," which formulated all Carter administration policies.

Will U.S.A. fund Soviet think tank—again?

Soviet Academy of Sciences and KGB official Dzhermen Gvishiani and his partner in the founding of a Vienna think-tank, McGeorge Bundy, are undoubtedly smiling. According to the Sept. 23 *New York Times*, the U.S. government is backing off on its opposition to funding of the International Institute for Applied Systems Analysis (IIASA), established by Gvishiani and Bundy to promote "limits to growth" Malthusian ideology and to rig global food and energy shortages, operating to the overall advantage of Russian imperial aims.

The Reagan administration had cut off all federal funding for IIASA in 1982, when it was learned that IIASA computers in Reading, England, were passing on sensitive information to the Soviets that could have compromised U.S. defenses. Now, the *Times* reports, the Reagan administration "will not object if the Environmental Protection Agency . . . contributes to the cost of specific projects."

The director of the Environmental Protection Agency, William Ruckelshaus, is a committed Malthusian who has maintained back-channels to the Soviets in recent months on "environmental" matters.

The official American participant in IIASA is the American Academy of Arts and Sciences, run by the "Boston Brahmin" Lowell family to which Bundy is related by marriage.

Mondale-Ferraro thuggery in Baltimore

Protesters against the official Mondale-Ferraro presidential ticket of the Democratic Party and its chairman, Charles Manatt, were assaulted at a Mondale-Ferraro downtown campaign rally in Baltimore, Maryland Sept.

25, with Geraldine Ferraro looking on. Goons belonging to AFL-CIO President Lane Kirkland pushed and struck members of Baltimore's right-to-life organization, and groups of supporters of Independent Democratic presidential candidate Lyndon LaRouche. The goons tore up protesters' banners and in one case a protester's Bible.

The goons moved first against right-to-life demonstrators who were denouncing Ferraro's support for the abortion-on-demand policies of the international genocide lobby. Then supporters of candidate LaRouche unfurled a banner which slammed Mondale's appeasement of Soviet imperialism. As Ferraro looked on, the goons surrounded the LaRouche group, destroyed the banner and struck one organizer on the jaw. Next a Reagan backer who was denouncing Ferraro and Mondale to the crowd was seized by the throat, choked, and hit in the mouth by a Mondale campaign worker. Six assault charges were filed against Mondale "campaign workers." Witnesses are being lined up.

The local pro-Mondale turnout was led by Maryland Rep. Barbara Mikulski, the Global 2000 fanatic, Sen. Paul Sarbanes, and Rep. Parren Mitchell. Sarbanes set the stage for the gooning by attacking "extremists" who have heckled Mondale and Ferraro at every campaign stop.

The thug tactics, however, were not altogether successful. When Ferraro attempted to address the rally, she was interrupted by shouts of "Tax the Slumlords" and "Go Back to Mother Russia."

'Liberal media' not a myth

A study of journalists and broadcasters in the most influential media outlets shows that the epithets about the "liberal Eastern media mafia" are true.

The in-depth study conducted by S. Robert Lichter and Stanley Rothman of Columbia University's Research Institute on International Change determined that a majority of leading journalists describe themselves as "liberals," 54% placing themselves as left of center. Fifty percent "es-

chew any religious affiliation," and 86% "seldom or never attend religious services." In 1972, when 62% of American voters chose Nixon, "81% of the media elite voted for McGovern."

Lichter and Rothman report that "three-quarters disagree that homosexuality is wrong, and an even larger proportion, 85%, uphold the right of homosexuals to teach in public schools." Furthermore, "54% do not regard adultery as wrong, and only 15% strongly agree that extramarital affairs are immoral."

The most liberal of these liberals were—hold on to your seats—television news reporters and producers.

The study also evaluated some underlying personality characteristics, comparing the media elite to a comparable business elite studied in the Fortune 500 companies. "The media elite scored significantly higher in power motivation, fear of power, and narcissism. The businessmen displayed higher achievement motivation and a greater capacity for intimacy."

Terrorism explodes in New York

A week after FBI director William Webster's public declaration in San Francisco Sept. 21 that domestic terrorism is *not* on the rise in the United States, terrorist groups set off two massive explosions in the New York City area, one at a Union Carbide plant in suburban Westchester, the other at the South African consulate in New York proper. Webster made the San Francisco statement on the same day that it became known that northern California military installations had been put on emergency alert for terrorist attacks.

The credit for the New York bombings has been taken by a group calling itself "Guerrilla Resistance," and by the United Freedom Front. The two, speculated by police to be the same group, is believed to be a radical coalition with links to the Brink's armored car robbery gang, and the terror groups FALN and the Black Liberation Army.

Briefly

● **A POLL** of Florida eighth graders found that 25.8% say they will use marijuana this year, 10.8% cocaine, and 7.7% heroin. Fifty-two percent plan to drink alcohol. "Our school district is no different than any in the United States," said Mary Ann Morck of the community group that conducted the poll in Pinellas County, which includes St. Petersburg.

● **PRESIDENT** Reagan charged Sept. 26 that the "near destruction of our intelligence capability," especially during the Carter-Mondale regime, was responsible for the lack of warning on the terrorist attack in Beirut. He told a Bowling Green University audience that prior administrations believed: "Well, spying is somehow dishonest and let's get rid of our intelligence agents, and we did that to a large extent. We're feeling the effects today." His remarks set off a wave of protests from liberal Democrats.

● **BILLY GRAHAM** concluded his 12-day trip to the Soviet Union with a preaching session at the Cathedral of the Epiphany, seat of Patriarch Pimen of Moscow. At a final news conference, he said that there is a "measure of religious freedom" in the Soviet Union, and also that "there is some element of truth" in charges that he is being exploited by the Soviets for propaganda purposes, but added, "it's worth taking a risk for peace in the world. . . ."

● **FATHER** Bryan Hehir, architect of the U.S. Catholic bishops' "pastoral letter" endorsing the nuclear freeze, and Eastern Establishment chief McGeorge Bundy, spoke at a New York University conference Sept. 24. Hehir, trained at Harvard Divinity School and then later by Henry Kissinger personally, argued that the Church must appeal to people's fears, in this case nuclear war. Bundy attacked U.S. development of defenses against nuclear attack. Hehir reported: "I've been lobbying in Catholic circles to get McGeorge Bundy a doctorate in theology."

Editorial

Look who's pushing drugs!

Some eyes should be opened, particularly in the Reagan administration, by the lead editorial of the so-called "conservative" *Washington Times* on Sept. 27. The editorial—entitled "Heroin: Can It Be Worse?"—argues extensively for the legalization of the mind-destroying drug.

The *Times*, which is owned by Reverend Moon's Unification Church, has been extremely successful in making itself known as the "conservative alternative" to the flaming liberals at the *Washington Post*. But when it comes to drugs, it seems that the differences aren't really so great. The *Washington Times'* editorial comes at the end of a series of articles on drugs of the same style that appeared in *Pravda West* (the *New York Times*), and comes through with a more "radical" endorsement.

We quote: "The argument, usually dismissed as crackpot, is that by legalizing the acutely addictive drug we would simultaneously eliminate organized crime from heroin traffic, curtail widespread police corruption, and knock down the stratospheric price of regular fixes. This last consequence, economically probable, would greatly abate the desperate muggings and burglaries in the daily life of our cities and suburbs. Alas, a small but growing number of responsible observers is taking up the argument.

"A time for exceeding caution, to be sure. We must resist panaceas and neat ideologies. Nevertheless, we wonder if the impulse to throw tax dollars at heroin and assign ever more legal force to its eradication is not itself the product of modernist ideology. Only in this generation have we viewed the State as the most efficient instrument of individual health and social welfare. As we have entrusted more to the State, we have vitiating personal responsibility as the agent of community well-being.

"Conservatives have fought that ideology almost everywhere it has proved to be manifestly counterproductive. The War on Poverty, the minimum wage, energy regulations, affirmative action, spending on schools—it is now possible to tick off countless examples of well-intentioned programs that have exacerbat-

ed the very problems they were designed to alleviate. Should the government's costly and overwhelmingly futile war on heroin now be added to the list?"

It seems that the newspaper has some explaining to do. For, indeed, the major reason that the war is "futile" is that the major financial and political forces in the United States are committed to *sabotaging* it.

In particular, the *Washington Times* itself has: 1) refused to support the relevant police measures against the financial institutions who push drugs; 2) run major campaigns against Ibero-American governments, such as Bolivia, who are attempting to fight drugs; and 3) backed the IMF austerity programs for Third World countries which force those countries into the arms of the drug-pushers.

Let's not kid ourselves. By refusing to support the government measures which would wipe out drugs—measures that are currently being demanded by all the major drug-producing nations of Ibero-America—the likes of the *Washington Times* is working hand in glove with the Soviet Union. The Soviets, and their separatist-terrorist surrogates in Ibero-America, carry out many of their operations through the drug trade. Then, the drugs serve the double purpose of destroying the next generation in the United States.

To those who might be surprised to find Rev. Moon—the "anti-communist's anti-communist"—in bed with the Soviets, we need merely point out the long history of collaboration between the Nazis and the Communists. Both governed by Gnostic belief-structures, they are natural allies in the subversion of mankind's fight for scientific progress.

From this standpoint, we should also not be surprised that the *Washington Times* has been a major conduit for disinformation about the "crumbling Russian empire" and the "Christianization" of Russia. Should those who collaborate with the Russians in pushing drugs be trusted in this matter?

As far as we're concerned, this is just the beginning of the investigation of the connections between the "anti-communist" drug pushers and the Nazi-Soviet drug mafia. But we expect it to be a fruitful one.

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