

EIR

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1984 in Review

Anglo-American oligarchy
forced on the defensive





Flags from 50 countries led the 3,000 person parade to the White House at the Third Schiller Conference on November 25.

FOURTH INTERNATIONAL CONFERENCE OF THE SCHILLER INSTITUTE

“The Inalienable Rights of All People”

“I am calling upon all republican forces worldwide—all trade-unionists, students, parents, teachers, ministers, farmers—all human beings of good will, to join the Schiller Institute in conference January 12th-14th in Virginia and in demonstration on Tuesday, January 15 in the nation’s capital for the building of a new international movement for the Inalienable Rights of Man.

“This Declaration was adopted at the Third International Conference of the Schiller Institute on November 24-25 in Crystal City, Virginia, where 2000 participants from over 50 countries joined together, and then marched in front of the White House in a powerful parade of over 3000 in order to send a message to President Reagan that his second administration must change economic policy, both foreign and domestic, if the world is to survive.

“Especially in the face of an ever-growing danger of Soviet establishment of world hegemony, a Soviet drive which is nourished by the apparent economic collapse

*We will not
quit, until we
have won!*

of the West most sharply visible in Africa, Ibero-America and Asia, it is urgent that the Strategic Defense Initiative of President Reagan be adopted and that the murderous economic policies of the International Monetary Fund be dumped

and replaced by technological and economic growth in both the U.S. and her national allies.

“Our movement, the movement for the Inalienable Rights of Man, must and will become bigger than the old Civil Rights movement. We will grow and swell and increase in new demonstrations and parades in the coming weeks, until we represent millions and millions. We will not quit, until the Inalienable Rights of all human beings are realized and guaranteed.

“Join us—you have no other moral choice. This time, we must not just overcome; this time we must win!”

—Helga Zepp-LaRouche

Conference:
Saturday/Sunday/Monday
January 12-14, Virginia

Demonstration:
Tuesday
January 15, Washington, D.C.

Pre-registration required. For more information, write The Schiller Institute, 1010 16th Street, N.W., Room 300, Washington, D.C. 20036, or telephone (202) 955-5938.

Registration: \$25 per day. Checks payable to The Schiller Institute

Founder and Contributing Editor:

Lyndon H. LaRouche, Jr.

Editor-in-chief: Ciron Zoakos

Editor: Nora Hamerman

Managing Editor: Vin Berg

Features Editor: Susan Welsh

Assistant Managing Editor: Mary McCourt

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EIR

From the Editor

This year-end review issue of *EIR* is dedicated to the memory of Mrs. Indira Gandhi and Rodrigo Lara Bonilla, patriots and world citizens, who died at the hands of the enemies of humanity during 1984.

We valued them as leaders of the fight for the nation-state, and as friends. We pledge that insofar as it is in our power, 1985 will be the year in which their deaths will be avenged, by ending once and for all the power of the oligarchies of both East and West who masterminded their assassinations. *We are determined that there will be no more martyrs.*

Mrs. Indira Gandhi, killed on Oct. 31, 1984, was the world's greatest statesman since the death of President Charles de Gaulle of France. A personal friend of *EIR*'s founding editor Lyndon H. LaRouche, Jr., and his wife Helga, Mrs. Gandhi had expressed to *EIR* in 1981 that the greatest danger in the world today is "a general attitude of most people to pursue what they consider to be their immediate national interests, even if they are not in the long-term interests of the world, and therefore themselves." Her battle to save India from destruction now must be the battle of every one of us, if the human race is to have the moral fitness to survive.

Dr. Lara Bonilla, the young (not yet 40) Colombian justice minister who dared to indict the bankers "above suspicion" who profit from the genocidal traffic in illegal drugs, was killed on April 30 in Bogota. Only a few months earlier, he had extended his personal support to protect the lives of *EIR*'s collaborators in Colombia, threatened by the same drug mafia that murdered him.

The only fitting memorial to Gandhi and Lara Bonilla is for the United States to launch a crash program for Mutually Assured Survival—the beam-weapons defense system to be shared with our allies and even our adversaries, as President Reagan has insisted. On that basis, we must quickly proceed to launch the great infrastructural projects that will alone assure the survival and development of the Third World.

The battle in Washington over the Strategic Defense Initiative raged openly in the final days of 1984. It must be won in the first weeks and months of 1985. *Lead that fight with us; give this publication your unstinting support; and we can truly promise one another, and the human race for which we are responsible, a happy new year.*

Nora Hamerman

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NSIPS

Clockwise from upper left: The Schiller Institute in New York demonstrates for "Star Wars"; Lyndon LaRouche campaigns in Baltimore for the Democratic presidential nomination; the Schiller Institute in Chicago marches in an international "Day of Resistance" Nov. 17 against Green fascism in Germany; Robert S. McNamara and McGeorge Bundy, Eastern Establishment enemies of the Strategic Defense Initiative.

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1985: the year of the oligarchy's endgame

by Criton Zoakos

Some of the most critical strategic/political developments of the year which just expired were shaped largely by the ideas, programs, and principles associated with this publication and its founder, Lyndon H. LaRouche, Jr. These were mostly associated with the encouraging advances the Reagan administration made toward the implementation of its Strategic Defense Initiative, "Star Wars" so-called by its opponents, which has now become, even before its technological realization, the single greatest factor shaping world affairs since the development of the first nuclear weapon.

If one were to examine the contents of a speech on the subject given by Defense Secretary Caspar Weinberger to Washington's Overseas Press Club on Dec. 19, 1984, and compare these to the substance of the proposals put forward by Lyndon LaRouche over two and a half years earlier at an April 1982 seminar in Washington, D.C., the impact of this magazine's ideas upon world affairs would be easy to recognize.

On the negative side of the year's ledger, however, other momentous developments occurred, not merely contrary to what we have counseled, but also under the direct supervision of powerful men of affairs who have chosen for quite some time now to designate themselves personal enemies of this rather unique publication, its ideas and programs and, most especially, its founder. To the extent that we have spoken out on behalf of the true—as opposed to the perceived—interests of Western, Judeo-Christian culture and civilization, and on behalf of the true interests of the American republic, to that extent we have acted as the conscience of this culture and of this republic. Also, we have acted to the same extent as the conscience of those haughty, power-drunken personages who have arrogated to themselves the stewardship of this civilization and its leading republic.

This has thrown these gentlemen into a fit of murderous rage of no mean scope and scale—against this publication, its editorial and cultural policies, its political proposals, but, most immediately, against its founder and leading contributor. The rage is not caused merely by the fact that we displayed the insolence of causing damage to their policies with our persistent exposés and criticisms. The rage is



NSIPS/Stuart Lewis

The aging oligarchs of the Anglo-American Eastern Establishment announce their intention to overthrow the results of the U.S. election, in a Nov. 26 press conference of the Aspen Institute in New York City. Their particular target is the Strategic Defense Initiative; their greatest venom is saved for Lyndon H. LaRouche, the intellectual author of that policy. From left: Elliot Richardson, Michael Sharp, Cyrus Vance, John J. McCloy, Robert S. McNamara.

caused by our having been able to instill in the minds of our oligarchical opponents the idea that they in fact may be wrong in the grand enterprise they are currently pursuing, the so-called New Yalta Deal, and, in being wrong, they may be vulnerable, and, in being vulnerable, they may suffer defeat. Our having existed and acted in the way we did in 1984 has made our adversaries imagine themselves as potential losers. This disconcerting thought is the cause of their fits of rage against us.

Let us take stock of what their side accomplished in the year just past and what they are heading for in 1985; and also what our side, the side of republicanism, did and must now do in the immediate future.

Economics and national defense

An essential feature of the oligarchical "New Yalta Deal" is to "decouple" Western Europe from the United States, not only militarily but also economically. Europe's economic decoupling, as envisaged by the Bank for International Settlements in Basel, the International Monetary Fund (IMF) in Washington, and the European Commission in Brussels, involves plans for close economic cooperation with the resurgent Imperial Russia as well as the eventual creation of a new world monetary and credit system in which the dollar will play a role not greater than, say, the Japanese yen played during the 1960s. Incredible? Not if one understands that an arrangement like this could only follow a dramatic collapse of the domestic American productive economy—and if one understands how close this country is to that point.

During 1984, the U.S. economy registered the highest

trade deficit in its history, approximately \$120 billion; also during 1984, the American banking system continued for the second year in a row being a *net borrower* in the world capital markets. In 1983, for the first time since the Civil War, we had become net borrowers to the tune of over \$10 billion; in 1984, the trend continued with an estimated \$100 billion. Also in 1984, our federal government became one of the world's worst-indebted governments—to the point where its creditors began to publicly challenge its sovereignty. The debt service our federal government is expected to pay out to its "creditors' committee" during 1985 is estimated at over \$165 billion—almost the size of the projected federal deficit. According to testimony of Federal Reserve chairman Paul Volcker to the congressional Joint Economic Committee on Feb. 8, 1984, our Treasury's deficit is being financed by "substantial foreign capital inflows." In August, the U.S. Treasury asked Congress to approve new regulations for the sale of U.S. government bonds to anonymous foreigners by means of so-called bearer bonds.

Beginning in April 1984, Henry Kissinger's business associates and partners began beating the drums for a European financial decoupling. Lord Carrington, now secretary general of NATO, and Fritz Leutwiler, then-president of the Bank for International Settlements both publicly proposed that the European Currency Unit (ECU) begin replacing the dollar in international payments; leading West German bankers, with the tacit encouragement of U.S. Ambassador Arthur Burns, called in April for the establishment of parity between the ECU and a Russian "transferable ruble." At the end of that month, a conference of West German and Russian bank-

ers in Tashkent, U.S.S.R., issued a call for "an acceleration of the commercialization and acceptability of the ECU in order to find an international currency to replace the dollar." Then in November, Russian, French, Austrian, Swiss, and German economic officials, bankers, and others presented a more detailed plan for a massive expansion of the ECU and its use for the financial separation of Europe from the United States. One of these leading actors was French Finance Minister Pierre Bregégois; another was the former French economics minister, Jacques Delors, chairman of the European Commission; British Foreign Secretary Geoffrey Howe is also a leading proponent of the idea, as is former West German Chancellor Helmut Schmidt.

The same players who are orchestrating this financial decoupling succeeded, during the September annual meeting of the IMF, in passing a decision—which the Reagan administration accepted—that during the April 1985 Interim Committee Meeting of the IMF, proposals will be entertained on how best the United States should accept and implement "IMF austerity conditionalities" similar to those that the IMF has imposed upon Latin American, African, and Asian governments, with well-known catastrophic results. We have provided detailed information about the fact that the families and interests who control our \$1.8 trillion debt are the same that control the policies of the IMF, the Bank for International Settlements, and the World Bank, as well as the leading private financial institutions in this game.

These same personalities and institutions are also the most outspoken leaders demanding the drastic reduction of our defense budget and especially the scrapping of the President's Strategic Defense Initiative (SDI). Banded together as a "creditors' committee" against the nation, these persons can be found in the roster of the Bipartisan Budget Appeal. Among them are: McGeorge Bundy, Robert McNamara, Cyrus Vance, Armand Hammer, William Colby, George Ball, Lloyd Cutler, William Fulbright, John J. McCloy, Joseph Slater, and Orville Freeman. These same budget cutters, notably Bundy and McNamara, are the leading proponents of a campaign to stop the Strategic Defense Initiative, the so-called Committee to Save the ABM Treaty. To make a long story short: The "creditors' committee" of our bankrupt and crisis-ridden economy and of our over-indebted government is 1) demanding the unilateral disarmament of the United States; 2) organizing the economic and military "decoupling" of Europe from the United States; 3) organizing the attachment of the productive West European economy to Russia; and 4) attempting to put the United States under "Third World-style" austerity conditionalities.

Matters are expected to come to a head sometime before April of 1985.

Thatcher and Gorbachov

Despite the unmitigated disasters in economic and financial policies, the United States made significant strides toward the eventual development of strategic anti-missile de-

fenses based on the physics of high-energy, long-distance laser and particle beams. The principal progress was not only in proving the efficacy of the required technologies, but also in understanding and explaining to the world the underlying soundness of the strategic and doctrinal principles which inform the Strategic Defense Initiative. These principles were first presented to the public in a document published by *EIR* on April 17, titled "The LaRouche Doctrine: Draft Memorandum of Agreement between the United States of America and the U.S.S.R."

Since the LaRouche Doctrine was published, the Russian government has obsessively devoted its best efforts to hysterically attacking "Star Wars." Much of the 1984 presidential election was fought around the "Star Wars" issue. President Reagan received his overwhelming electoral mandate primarily because over 75% of the voting population of the country enthusiastically supports his Strategic Defense Initiative. The entire Russian government, and its leading military and civilian spokesmen, have repeated again and again that they will go all the way to general thermonuclear war before they allow the United States to develop such defensive systems. Meanwhile, they continue to be ahead of the United States in their version of "Star Wars," and dramatically increased their lead in strategic offensive nuclear weapons during 1984.

This was the setting in which British Prime Minister Margaret Thatcher and Russian Politburo member Mikhail Gorbachov—the advertised "successor" to Chernenko—met in London on Dec. 17 to strike the most remarkable political friendship of the decade, one which places its stamp on last year's political character. Thatcher's government enthusiastically announced to the world that "we are pleased to see that the Soviet government is as anxious to prohibit militarization of outer space as we are." Thatcher herself stated: "I like Mr Gorbachov. . . . We can do business together. We have two great interests in common: that we should do everything we can to see war never starts again, so we will go into the disarmament talks determined to make them succeed."

After this, Gorbachov issued an unveiled ultimatum to the United States, to the effect that the Reagan administration has only "until April" to abandon its Strategic Defense Initiative. April, of course, is the time period slated by the IMF's Interim Committee and the U.S.A.'s "creditors' committee" to try and impose "austerity conditionalities" upon the American economy, the overall federal budget, and especially the defense budget. The predominantly corrupt, hapless Congress has already drawn its battle lines against the defense effort required to counter the ominous Russian deployment of the Ogarkov Plan (see page 16). The year 1985 from its opening days will see the "endgame" phase of the world conflict over the SDI. If its opponents win, humanity is imperiled; if the Reagan administration puts into effect the economic policy component of the "LaRouche Doctrine," the oligarchical "creditors' committee" will suffer its greatest loss since the Congress of Vienna.

LaRouche's television campaign generated a political shockwave

by Warren J. Hamerman

Why were Walter Mondale and the entire "Neville Chamberlain Democrat" apparatus, controlled by Chuck "Banker" Manatt and Lane Kirkland, so resoundingly humiliated in the 1984 presidential elections? Why did so many young voters cast their ballots decisively against the traditional Kissingerian "liberal" attitude of appeasing the Soviets and against the official "New Age" policy for a post-industrial society? What is the policy meaning of the massive mandate for Ronald Reagan's second term, and where did it come from? Where did President Reagan get the substantive idea-content for his dramatic transformation from the first to the second televised debate? What is the future of the Democratic Party?

The only answers to these and related political questions forcefully posed by the presidential elections lie in the unprecedented political impact of the 1984 LaRouche presidential campaign—initially for the Democratic nomination in 13 state primaries and then, as an independent Democrat, in the general election on the ballot in 18 states and the District of Columbia.

The magnitude of the 1984 LaRouche presidential campaign—with its 15 nationwide half-hour television broadcasts—has generated a political shockwave effect in both American and world strategic politics, by demonstrating the rapid growth of LaRouche's mass political base. By the final phase of the 1984 LaRouche television campaign, up to 15 million people per show, or 10-11% of the entire national viewing audience, were watching the LaRouche broadcasts.

Lyndon LaRouche defined the policy content of the overwhelming presidential mandate which Ronald Reagan won! The bipartisan American patriotic movement catalyzed by LaRouche's campaign created the political tidal wave which Ronald Reagan recognized between the first and second television debate, thereby assuring the humiliating defeat for Walter Mondale, the man whom LaRouche had exposed as a Soviet agent of influence, an asset of the Swiss and Minnesota grain cartels.

To fully understand the historic significance of LaRouche's 15 nationwide television broadcasts, one must return to studying how the Allies mobilized their defense during the Second World War. Without both the "fireside-chat" radio broadcasts of President Franklin D. Roosevelt to the

American population and the "Free France" radio speeches of Charles de Gaulle to his occupied countrymen to rally the spirits and mobilize the highest levels of fighting morale, Western civilization would have been irrevocably destroyed by the combined brutalities of world depression and the Nazi war machine. Similarly, 40 years after the end of World War II, Lyndon H. LaRouche, Jr.—world political leader, American System economist, and leader of the patriotic wing of the Democratic Party—delivered 15 nationwide network half-hour television broadcasts during the course of his presidential campaign. LaRouche's television shows laid the only basis for the United States and its allies to avert the even more devastating threat to mankind today posed by a thermonuclear superpower confrontation and the full-scale depression collapse of the global economy.

LaRouche mounted a full-scale and credible challenge to the policies being put forward by McGeorge Bundy's Eastern Establishment, the old-line European oligarchy, and Bundy's fellow travellers in Moscow. It is these forces who are now gunning for LaRouche with a historical vengeance as they seek to destroy his political organizations. Why do they so fear LaRouche?

In his second presidential debate, Ronald Reagan decisively rejected the advice of Henry Kissinger and Paul Volcker and denounced the Kissingerian strategic doctrine of Mutually Assured Destruction (MAD). Included in the President's formulation was the specific LaRouchean proposal for the U.S.A. and Soviet Union to jointly share anti-missile beam defense technology. Also echoing LaRouche, the President rejected by name "Malthusian theory"—stating that the so-called overpopulation problem in the developing sector was "vastly exaggerated." Finally, when asked if he thinks that the Soviet Union is an "evil empire," Reagan flatly rejected the nonsense circulated by Kissinger and Lord Carrington that the Russians are "peace loving" and on a "peace offensive."

During 1984, over 2,000 candidates for federal, state, and local public office as well as party positions ran on a "citizens' candidate" ticket headed by LaRouche and defined by his policies; coordinated by the political action committee founded by LaRouche, the National Democratic Policy Com-

mittee (NDPC), the citizens' candidate movement in aggregate officially received nearly 2.2 million votes and won over 360 positions. One-half million American citizens signed an NDPC petition campaign in support of LaRouche's principal presidential theme to "Save the Western Alliance by Destroying Henry Kissinger."

LaRouche's mass political movement has been shaped and rallied through a succession of historic television broadcasts. In 1976, LaRouche made one nationwide television broadcast on election eve. During his 1980 presidential campaign for the Democratic Party nomination against Jimmy Carter, Ted Kennedy, and Jerry Brown, LaRouche delivered five half-hour nationwide broadcasts (two in January 1980, one on May 31, 1980, and two in August 1980, in the days before the Democratic Convention in New York) and, on the eve of the election in early November, one half-hour program broadcast in five key states. In both his 1984 Democratic primary and general election campaigns, LaRouche raised a total of nearly \$7 million in campaign funds to finance the 15 nationwide broadcasts. Thus, LaRouche has addressed the American nation 22 times with half-hour special addresses on strategic, economic, and scientific policy questions in the past eight years in addition to numerous regional television appearances, radio appearances, and circulation of millions of pieces of programmatic and campaign literature. In his first 1976 broadcast, and in many broadcasts that followed, LaRouche directly challenged the American people with the question: "Does the United States have the moral capacity to survive?"

In his first two broadcasts of the 1984 campaign, LaRouche formulated both the nature of and solution to the strategic and economic crises threatening civilization as we know it:

1) **January 21—A Call for a National Defense Emergency Mobilization.** Here, LaRouche traced the history of his proposals to dump Kissinger's and McNamara's Flexible Response doctrine through deploying the kinds of anti-missile defenses which science had made possible, and how his proposal had resulted in President Reagan announcing on March 23, 1983 his Strategic Defense Initiative. He warned that the Soviet general staff was dreaming, planning, and deploying for "the old Russian dream of Moscow as the world-capital of a new Roman Empire," while simultaneously Kissinger and McNamara brainwash politicians and newspaper editors into the Neville Chamberlain delusion that thermonuclear war is impossible. With scientific precision, LaRouche presented charts and graphs demonstrating the current Soviet superiority in strategic missiles, strategic reserve, and second-strike capability. He called upon the patriotic sons and daughters of the Democratic Party, in the tradition of Franklin D. Roosevelt, to rally to a four-point emergency policy program: a) The President must declare a National Defense Emergency Mobilization, the Federal Reserve must be "federalized," and Congress must restore gold-reserve backing to the dollar; b) The President must launch a

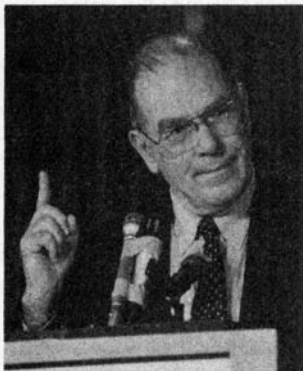
\$200 billion crash program for a first generation anti-missile shield by 1988; c) Congress must support a crash program to fill up the gaping holes in our 1984-85 defenses; d) The United States must change its policy to its allies in Ibero-America and the rest of the developing sector by restoring the industrialization policies of the "American System."

The themes defined by LaRouche were the same substantive policies which he had advocated in his seven 1980 nationwide broadcasts. For instance on Jan. 27, 1980, LaRouche told a nationwide audience: "We must make the United States strong. . . . We must develop over the period ahead the kinds of weapons which can destroy incoming nuclear ballistic missiles: beam weapons. These can be developed. I think we should develop them." And later in the same speech, he advocated a new international gold-based monetary system to facilitate Third World development.

2) **February 4—Stopping the Worldwide Economic Collapse.** LaRouche's report on the disastrous state of the economy challenged the evil policies of Paul Volcker and directly contradicted the President's State of the Union address of a week earlier. LaRouche exposed that the Federal Reserve and the Bureau of Labor Statistics had been deliberately and systematically concocting lies and "faking the figures for both industrial output and for unemployment by wide margins." LaRouche showed the evil effects of Volcker's policies on the world economy—particularly in the developing sector. He concluded with a direct appeal: "To keep that flag flying over our republic, and to keep our economy from collapsing to the level that foreign powers can walk all over us and take from us what tribute they demand, help me in two ways. First, help me get a message through to our President. He is a good man, and once he sees the truth, I am sure he'll act in our national interest. Second, help me and the thousands of Democrats who are now running in the party for various offices, who support me in the policy I have proposed to you today. Democrats! Let those of us who remember take back the leadership of the Democratic Party from this gang that's taken it over, and make our party once again a party of which President Franklin Roosevelt would not be ashamed."

During the middle primary period of March through early May, LaRouche opened a fusillade of heavy artillery fire, on television and in radio ads, against Henry A. Kissinger and Kissinger's immoral Democratic collaborators such as Lane Kirkland, Walter Mondale, and DNC Chairman Manatt: 3) **March 17—Great Projects vs. Kissinger's Genocide;** 4) **March 26—Henry A. Kissinger: Soviet Agent of Influence;** 5) **April 27—While Washington's Politicians Are Sleeping;** 6) **May 10—The United States Under President Reagan's 'Hoover' Recovery.** In meticulous documentary fashion, LaRouche made the case for what millions of Americans have long suspected, namely, that Kissinger and others who have controlled the foreign policy establishment of the United States have not been loyal to American security interests.

Two days after LaRouche presented his March 26 documentary exposé of **Henry A. Kissinger: Soviet Agent of Influence**, Kissinger stunned the media when he snarled at a San Jose convention of the California Dental Association: "These charges are vile. LaRouche and his organization are



LaRouche defined the policy content of the overwhelming presidential mandate which Ronald Reagan

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beneath contempt. . . . I will decide on what I wish to do with him after the primaries. Then I will take the appropriate action. These people are contemptuous [sic]. It is a contemptuous [sic] organization!"

In these broadcasts LaRouche revealed that the historic roots of the Kissinger, McGeorge Bundy, and Harriman Eastern Establishment are Bertrand Russell and the Pugwash circles. The historic turning point, revealed LaRouche, was the policy conflict between the old colonialist Winston Churchill, advocate of 18th-century British imperial methods, and the "anti-economic royalist" Franklin D. Roosevelt, proponent of 20th-century methods to bring industrialization and development to backward areas, as documented by Roosevelt's son, Elliott Roosevelt, in his book, *As He Saw It*. In the television shows, LaRouche presented an elaborated "grand design" for large-scale infrastructure development projects in Ibero-America, Asia, and Africa. LaRouche closed the April 27 show with the following appeal to the Soviet leadership:

"If you wish peace, take me at my word. Much as the Soviet leadership may hate me and fear me, my option is the only option through which our powers can avoid the ther-

monuclear war toward which we are both plunging through blind delusions today. Prove that you wish peace by dumping Henry A. Kissinger and that crowd you call your 'realistic' collaborators which Kissinger represents. I warn you, that as long as you orchestrate global events to the purpose of strengthening the influence of Kissinger and his crowd within Western Europe, the Middle East, and the Americas, your behavior to that effect leads the world into a thermonuclear war which neither your government nor that of the United States could prevent from erupting. If you refuse this recommendation, some future space-traveler may be so kind as to erect a tombstone on this destroyed planet, and on that tombstone write: 'Henry Kissinger Was Here.'"

Between May 31 and June 2, LaRouche conducted the most intensive television campaign in the history of politics, including three television broadcasts, and, on a number of local television stations, a two-and-a-half-hour special. Less than a week later, LaRouche made his final half-hour broadcast of the primary season. The regular half-hour shows were: 7) **May 31—The Ominous Crisis in U.S. Defense Policy**; 8) **June 1—Stopping the Present Spiral of Worldwide Financial Collapse**; 9) **June 2—Ending the Catastrophe in U.S. Foreign Policy**; and 10) **June 11—A Sane and Effective U.S. Defense Policy**. On the June 1 and 2 programs, LaRouche presented a package of executive orders, emergency legislation, and diplomatic initiatives on economic, national security, and foreign affairs that he would pursue within the first hour after being sworn in as President.

LaRouche's two-and-a-half-hour television educational special entitled *The Power of Labor* was released in coordination with a textbook on the fundamentals of economic science entitled, *So, You Wish to Learn All About Economics?* In addition to its showings on television on the Memorial Day weekend, *The Power of Labor* tape became the basis for an educational series taught throughout the spring and summer in chapter organizations of the political action committee of LaRouche's citizen candidate movement, the National Democratic Policy Committee (NDPC). The tape demonstrated that all of the fundamental principles of economic science are derived from the famous twenty-eighth verse of the first chapter of the Book of Genesis for man to be fruitful, multiply, fill the earth, and subdue it. The broadcast revealed the philosophic underpinnings of "cultural and technological optimism" through an extensive pedagogic discussion of the scientific method of Leibniz, Plato, and Nicolaus of Cusa. In order to make the mathematics of economic science and the LaRouche-Riemann econometric model clear, LaRouche used geometrical models of key formulas through computer-generated animated graphics, instead of obfuscating algebraic formulas. By organizing his political movement on such a fundamental level, LaRouche was able to tap deep currents of political fighting capability at each moment in the face of overwhelming enemy onslaughts, when any other political leader would have "negotiated his peace" and ended his campaign.

Despite massive vote frauds and dirty operations by the Kirkland-Harriman-Manatt leadership of the Democratic Party, LaRouche successfully took his campaign after the primaries directly to the floor of the San Francisco convention where he fully qualified to have his name formally placed into presidential nomination. Over 350 officially elected delegates to the convention—well over the 200 required to place LaRouche's name into presidential nomination—and a delegate nominator and seconder moved to place his name in nomination. At that point, DNC Chairman Charles Manatt and the Mondale and Kirkland apparatus violated statute after statute to frantically block the LaRouche nomination by asserting on court record that the Democratic Party was a "private club" which had "the statutory right to exclude from membership" anyone whom the officials of the private club desired. In fact, it was the overall attitude reflected by the Mondale-Mondale apparatus in its arbitrary exclusion of LaRouche and the patriotic wing of the Democratic Party which banished unwanted patriotic Democrats in droves from voting for the Democratic presidential ticket of Mondale and the sleazy Geraldine Ferraro in November.

Only hours after the rigged nomination of Walter Mondale and even before he gave his acceptance speech, Lyndon LaRouche at the San Francisco Press Club on the morning of July 19 declared that Walter Mondale must absolutely be defeated and that he would continue to run as an independent Democrat: "I am already filed in Texas, where we carried 35% of the vote for Democratic Party county and local posts across the state, and where I got more nominating signatures [for independent] than the total number that voted in the Texas caucuses."

Rallying Independent Democrats

Subsequently LaRouche chose national farm leader Billy Davis from Mississippi as his running mate and the Independent Democratic ticket sponsored another five nationwide half-hour television shows which drove the final nails into the Mondale-Manatt coffin: 11) **September 3—The Food Shock of 1984**; 12) **September 30—What Is The Soviet Union?**; 13) **October 23—Walter Mondale and the Neo-Nazi Green Party**; 14) **November 5—Operation Juárez**; and 15) **November 5—Why the Soviet Government Supports Walter Mondale and Fears LaRouche**.

In the Sept. 3 address, LaRouche documented the complicity of the Soviet government, the international grain cartels, Democratic presidential nominee Walter Mondale, and Mondale policy directors Orville Freeman and Henry Kissinger, in creating and manipulating the deepening world food crisis. The men behind the impending "food shortage shock," he announced, included former Agriculture Department head Orville Freeman, Dr. Armand Hammer, and companies and families operating from Geneva, Switzerland and other food-trade cartel cities in Europe, including Bulgaria and the Soviet Union.

In his next two broadcasts—**What is the Soviet Union?** and **Walter Mondale and the Neo-Nazi Green Party**—LaRouche revealed the true bestial nature of the enemy of Western Civilization. In the first show, he used the Russians' own images and music to reveal the true evil face of Russia. In the second, joined by his wife and Schiller Institute founder Helga-Zepp LaRouche, he exposed the massive imminent dangers of a Soviet/neo-Nazi effort to decouple Europe from the Western Alliance. This show, having the highest viewership of any of the LaRouche programs, delivered the political "knockout punch" of the 20 century:

"Mondale is not simply a Soviet KGB agent in the ordinary sense, of course. Mondale is jointly owned by the left wing of the Socialist International and grain cartel interests. If those owners tell Mondale to lick the floor before a nationwide TV audience, I sincerely believe he would do just that."

Election eve

By election eve virtually all American citizens know who they are going to vote for the next morning. What is on their minds is how their choice will transform the country in the next administration. Therefore, the lasting impact of LaRouche's two Nov. 5 national network TV broadcasts—**Why the Soviet Government Supports Walter Mondale and Fears LaRouche** and **Operation Juárez**—was incalculable. The open factional brawl between Caspar Weinberger's Defense Department and George Shultz's State Department since the election, on strategic defense and Central American policy, were in large part catalyzed by the LaRouche broadcasts.

On the "Star Wars" broadcast, after exposing the Soviet war plan against Western Europe with excerpts from official Soviet training films, LaRouche revealed a detailed plan for a U.S. "layered strategic ballistic-missile defense." Through graphic simulations, LaRouche presented alternative scenarios for the opening of a superpower confrontation, first without and then with, U.S. deployment of a layered strategic defense system.

In his development of **Operation Juárez**, LaRouche presented in detail his plan for restoring America's greatness in world affairs:

"Let us return the foreign policy of the United States to the principles on which our republic was founded. Let us return our thinking about foreign policy toward Ibero-America to the kind of thinking represented by John Quincy Adams and his ambassador to Mexico, Joel Poinsett. Let us make our memory of our friendship with Mexico's President Benito Juárez the model for our friendship and collaboration with the patriot republicans throughout all of Ibero-America."

Not only did the 1984 LaRouche campaign determine the political and policy outcome of the presidential elections. Were its policy guidelines to be fully adopted, the campaign will have laid the potential basis for the next 100 years to be an American Century for world development and the colonization of space.

Which Reagan administration will rule the United States in 1985?

by Nancy Spannaus

"The key thing to understand is that there are two Reagan administrations," Independent Democratic presidential candidate Lyndon LaRouche told interviewers on Oct. 3. "One is Ronald Reagan the President, and the other is Reagan's re-election apparatus. Kissinger's power lies with the re-election campaign because a lot of liberal Republicans like Henry Kissinger, and want Reagan to go along with Kissinger."

LaRouche's statement is a concise analysis of the Reagan administration of 1984, an administration sometimes violently polarized on the approach to foreign affairs. The crucial division, of course, was between the State Department and the Department of Defense, the former a bastion of influence for Soviet agent-of-influence Henry A. Kissinger, and the latter dominated by the President's personal friend, Caspar Weinberger, and his commitment to the Strategic Defense Initiative.

There is no question but that Ronald Reagan the President was the winner in the Nov. 6 elections. But the battle within the Reagan administration has by no means ended. In fact, Reagan has kept the very same personnel in place, leaving the Kissingerian "re-election apparatus" intact.

During the year, the Eastern Establishment families who control Kissinger did not succeed in controlling Ronald Reagan, but they did expand and consolidate their policy influence in certain crucial areas. Determined to carry out their long-term deal with Moscow, a deal based on crushing all republican nation-states in the course of clearing the decks for an ultimate battle between the oligarchies, these families have focused their efforts on eliminating the one policy initiative which could finish off their aims—the Strategic Defense Initiative. If they cannot succeed in derailing the President's solid commitment to this policy by maneuvering, they can be expected to resort to violence.

The model to keep in mind is the Kennedy administration, the last administration which threatened to break from the dirty deals the Eastern Establishment had made with the Russian and Western continental oligarchy. Then, as now, both McGeorge Bundy, the man dubbed the chairman of the Eastern Establishment, and Soviet-handler Averell Harriman were the leading individuals working on enforcing the East-

West deal. When Kennedy didn't go along, he ended up dead.

The Eastern Establishment is even more desperate today, and for good reason. The families are not only challenged by Reagan the President, who has the capability of sweeping them aside with the power of the presidency, but by the political forces led by LaRouche, the leading intellectual author of the Strategic Defense Initiative strategy. Indeed, there is every indication that the families have decided to focus primarily on knocking out LaRouche, as a prerequisite for changing Reagan's policy by blackmail, or worse.

Incredible as it may seem, the families have still put their money behind Henry Kissinger and his lackies in the State Department to carry out this policy. In a very real sense, who wins the battle within the Reagan administration will be determined by who wins the battle between Kissinger and LaRouche.

Reagan the President

Although President Reagan clearly made a deliberate decision *not* to run his election campaign by mobilizing the American public on the Strategic Defense Initiative program, his behavior over the year left very little question that he and Secretary of Defense Weinberger intended to hold to that policy as a defense for the United States and for all the United States' allies, emphatically including Western Europe.

In retrospect, the record is astonishingly consistent.

One of the White House's first acts of 1984 was to release an interview given by the President to *Le Figaro Magazine* in France. "I have asked for a complete study and for research into trying to develop a defense weapon against nuclear weapons. . . . If we could succeed and bring about a realistic defensive weapon against them, then my next step would be to inform the Soviet Union that we have this, and now we were prepared to join them in eliminating all such weapons in the world."

In response to a question about whether the United States would put itself on the line for Western Europe, the President replied: "The United States would consider any attack on its NATO allies as an attack on itself."

Although the issue was certainly downplayed in all but the European press during most of the year, the Republican Party platform did contain a statement of commitment to Mutually Assured Survival. And despite his own political silence, the President refused to compromise on the SDI during his Sept. 28 meeting with Soviet Foreign Minister Andrei Gromyko.

President Reagan began a new phase of his campaign for the SDI after the election, when Weinberger and Abrahamson began to be even more pointed in their expositions, underlining the huge program which the Soviet Union has had underway for more than two decades!

The high point of the President's consistent campaign for the SDI so far has been Secretary of Defense Weinberger's Dec. 17-19 speeches and press conferences in Washington, D.C. The time to go beyond general policy statements, and into building support for *funding* the program, has finally come. This puts into focus the economic program of the President, which has consistently undermined his intent.

Deadly enemies

We can expect that the Eastern Establishment will throw everything in their arsenal against the President and Weinberger to defeat the SDI. Their capabilities, developed in depth since the death of Franklin Delano Roosevelt, are indeed great.

1) **The Families themselves** are the controllers of major investment houses and financial institutions, which represent extensive blackmail capability against the President.

2) **The Kissinger apparatus** is a thug network which the families deploy in order to threaten recalcitrant politicians into line. While it has tentacles into the government, its extra-governmental activities are equally significant.

3) **The media**, which has been virtually enshrined as an untouchable force in American political life, has the demonstrated capability of making or breaking politicians, and, in the case of President Nixon, governments. Since all the major media in the United States opposed Reagan's re-election, it is not to be expected that they will stand passively by.

4) **Presidential opponents in the Reagan administration** include most of the ranking State Department bureaucracy, led by George Shultz; a large portion of the Treasury Department, headed by Donald Regan; and a powerful anti-SDI clique located in the White House staff.

5) **Assassins** are at the disposal of the American families, who, throughout their history, have been responsible for the murder of at least six American Presidents who threatened their power.

The Eastern Liberal Establishment did not hesitate to use most of these capabilities during 1984. For a certain time, the families toyed with the idea of dumping Reagan and bringing in Walter Mondale, a more pliable tool. Having rejected this tack—perhaps because it was just too unbelievable—they instead concentrated on trying to create a controlled political environment around President Reagan, and

on planting their agents within his administration.

The fact that they have so far not succeeded is a testament not only to the President's convictions, but also to the effect which the section of the population mobilized by the LaRouche movement can still have on politics. This fact enrages the pretentious scions of the American oligarchy, who have increasingly come out *in their own name* to mobilize against the SDI. Frustrated and forced out of the shadows, this oligarchy has put its very existence on the line as well.

The Bundys, the Harrimans, and the Soviets

While we have limited information on what has been going on behind the scenes, the public activity of the leading American "bluebloods" who personally made the deals creating Mutually Assured Destruction during the 1950s demonstrates that they were not only fully mobilized against the President, but increasingly open apologists for the Soviet Union itself.

In January of 1984, both Harriman, the grand old man of the Democratic Party, and Bundy, the former head of the Ford Foundation who now is a professor at New York University, began their own publicity campaign against the SDI. Harriman's op-ed, entitled "Three Years of Ronald Reagan: An Opportunity Squandered," appeared in the *International Herald Tribune* on Jan. 4. Bundy took to the pages of the *New York Times* to write about the Cuban Missile Crisis—to "remind" the appropriate individuals of the deals made with the Soviet Union at that point—deals which included a U.S. backdown on a number of issues of strategic significance.

In March, the campaign became more direct and personal. In a March 10 article in the *New York Times*, Bundy pontificated against the technological arms race which the SDI represents as against his own "deterrence" approach. He then excoriated Secretary of Defense Weinberger for being the new policy's strongest advocate.

When the head of the Eastern Establishment makes such a statement, one can expect its pet institutions to respond appropriately. Over the next three months, the traditional liberal foreign policy apparatus controlled by Bundy went into action. Conferences were held at the Wye plantation of the Aspen Institute. Dozens of Russians were invited to the United States to participate in conferences with "experts" at Harvard, in Washington, and so forth. Certain groupings, such as the Brookings Institution, actually *disinvited* Reagan administration spokesmen to meetings.

What was happening was the regroupment of the Pugwash Conference networks which had originally cooked up the Mutually Assured Destruction strategy. Pugwashites in Congress and the Senate were mobilized to try to stop U.S. space research in the same period. The legislation to this effect was discovered by *EIR* to have actually been written in collaboration with the Soviet embassy! (See *EIR*, June 5.)

May was also the period in which the bluebloods launched their heaviest financial warfare, in particular the jump in interest rates. The campaign to blame the defense budget for

this danger has continued, but has not succeeded in changing the President's strategy—especially as he succeeded in getting the rates back down. There have been small indications that the President continually threatened to treat the Fed as President Kennedy treated the steel companies in 1960—a threat that seems to have kept them from carrying out their worst threats and bringing down the economy.



"Sharing the gravest reservations about [the SDI], and believing that unless it is radically constrained during

the next four years it will bring vast new costs and dangers to our country and to mankind, we . . . call for the closest vigilance by Congress and the public, and even to invite the victorious President to reconsider."

—McGeorge Bundy et al. in *Foreign Affairs*

Having reaffirmed their deal with the Russians, Bundy took to the hustings. In a May 28 speech to the American Association for the Advancement of Science, Bundy echoed Soviet President Chernenko by denouncing the SDI as "one of the most irresponsible and destructive utterances that a President has made in a nuclear age" and a "major contribution to international danger."

In June, the bluebloods' hysteria level got even greater. George Ball, a leading Eastern Establishment spokesman, penned a *New York Times* article on how Reagan was too old to be President—in terms that can only be characterized as an assassination threat. New committees and declarations to stop the President were rallied. On June 6, a group was formed with the purpose of saving the ABM Treaty, the treaty which banned ballistic missile defense for the United States, but not for the Russians.

Then, on June 19, a large group of "leading citizens" announced a Campaign to Save the ABM Treaty. Both Harriman and Bundy signed the Campaign's manifesto against the national security, which featured such statements as, "We

must live with the threat of mutual suicide [emphasis in original]." Never a mention, of course, that the Russians have taken the necessary measures to defend a substantial portion of their population against nuclear bombardment.

The conspiratorial meetings between the bluebloods and the Soviets continued. In July, meetings of the Pugwash Conference, the Club of Rome, and the Harvard Crisis Management Group were held, as well as another Aspen Institute meeting, this time in Venice. It is likely that it was within these meetings that the strategy for setting up the Reagan-Gromyko meeting, or the never-held meeting in Vienna, was worked out.

By September, however, Chairman Bundy appeared to be going out of his mind. On Sept. 6 he addressed a conference at the University of Maryland, again excoriating Weinberger and the SDI. But this time, a new twist was added. Evidently desperate to bring the dissatisfied Soviets to the bargaining table, Bundy answered a question on the possibility of Soviet invasion of Europe as follows: "All they could get in Europe without facing a European deterrent is West Germany, and that would be an unfinished chapter."

By September, it was clear that the Establishment families felt that they had to work with Reagan. Harriman wrote a new article on Sept. 2, this time offering a bipartisan effort against the SDI, rather than pushing for a Mondale presidency. Bundy, although near despairing, gave a campaign speech for Mondale and against the SDI at Columbia University on Oct. 30.

It didn't work, of course. Reagan won the election by such a large margin that he really didn't need the boys at the Council on Foreign Relations. Chairman Bundy had prepared for that, however. On Nov. 26, the CFR issued a new manifesto by Bundy and his arms-control comrades Robert McNamara, George Kennan, and Gerard K. Smith. This time they said it even more threateningly: The SDI is not "realistic," and it must be stopped.

What do the oligarchs of the Eastern Establishment think they're going to get from the Soviets if they succeed in killing the SDI? Insanely bent on purging America of its nationalism, they just haven't realized that the Soviets will take their gift of the United States, and throw *them* away.

The growing grasp of Kissinger

As point man for the operation against Reagan and against LaRouche, Henry Kissinger may very well have hoped to be rewarded for his pains with a post in the second Reagan administration. Instead, he finds himself head of a successful multinational extortion racket, Kissinger Associates, but a political liability to every cause he seeks to promote.

Substantively, of course, Kissinger has made gains in the Reagan administration. On March 2 he was appointed to the President's Foreign Intelligence Advisory Board, a post which puts him in a position of behind-the-scenes power. And although his official tenure as head of the Commission on Central America lapsed early in the year, Kissinger clearly

controls the direction of policy for not only Central America, but Ibero-America a whole.

Throughout the year, however, Kissinger has had one monotonous theme—to set up a super-negotiator or super-commission which will make a New Yalta deal with the Russians. His bombshell *Time* magazine article of March 5, on removing U.S. troops from West Germany, was subordinated to this end, and, if implemented, his proposal would give the Russians the opportunity to move against Europe without firing a shot. His advice on the Central American crisis and Mexico—to be as provocative as possible up to and including a U.S. invasion—is tailored to create crises that will bring about a similar weakening of the United States in NATO, and corresponding advantage to the Soviets.

Kissinger began this theme in Brussels in the beginning of the year. Most of his organizing to achieve a new East-West negotiator, now called “arms-control czar,” in fact occurred in the European press, until the *Los Angeles Times* began to syndicate his column in June. The major exception is the *Washington Post*, which began a promotional for Henry as super-negotiator in January, and was the chosen conduit for Kissinger’s proposal for back-channel negotiations with the Soviets on July 26.

Kissinger, enraged at the massive exposure by Lyndon LaRouche of his ambitions to once again sell out the United States to the Soviets, prepared to strike back. LaRouche’s media campaign against Kissinger was only two months old when Kissinger issued the following threat at a California press conference on March 25: “I will decide on what I wish to do with him [LaRouche] after the primaries.”

Kissinger’s concern about his unpopularity due to LaRouche’s exposures was indeed justified. From April through July, numerous conservative congressmen and Texas Rep. Henry Gonzalez raised questions about Kissinger’s sellouts to the Soviets and the conflict of interest between his role in Central America and his position on the boards of several New York banks and investment firms. When Kissinger went to Ibero-America in September, he was denounced in the Argentine and Venezuelan press.

Kissinger did, however, get an open door into the White House to consult with the President on the latter’s September talks with Gromyko. All the more to Kissinger’s disgrace, when the President failed to turn the SDI into the bargaining chip which Kissinger wants it to be.

Even the London *Times* started warning President Reagan against Kissinger by Nov. 26.

Kissinger, in typical thug-like fashion, has proceeded to act out his vendetta against LaRouche, and most likely Reagan as well. Met at a meeting of American Express on Nov. 7, he said that he found the Reagan administration’s contacts with Lyndon LaRouche, just exposed in *New Republic* magazine, “almost unforgivable.” “I will do everything in my power to break the links between LaRouche and the Reagan administration, and you can quote me,” he told a journalist.

Kissinger is continuing his monthly syndicated column,

in which he uses erudite, opaque language to say what he told a journalist at the *New Republic*’s birthday party on Nov. 28: “The Strategic Defense Initiative has no future. . . . The funds will be whittled away.” Unfortunately, his career is not ended, and until it is, it will become even more dirty and dangerous.

The media

The major assignment to the Eastern Establishment media in 1984 was quite simple: Destroy LaRouche. Every other more ordinary “Watergate-style” operation was subordinated to that.

Playing the leading role were the *Washington Post* and NBC-TV. Together, they pulled together anti-LaRouche forces from the Anti-Defamation League, Federal Election Commission, the Mondale camp, and the Secret Service into one conspiracy to “get LaRouche.” They thought they were on the verge of success when the FEC denied campaign matching funds to LaRouche on Jan. 26, and the Secret Service also denied protection. But they were dead wrong.

It is obvious why NBC and the *Washington Post* were particularly suited for this job. NBC is a wholly owned subsidiary of RCA, whose chairman, Thornton Bradshaw, is a leading member of the Aspen Institute. It is also the network which had been chosen by the Soviets to get expanded facilities and broadcasts from Moscow, and which has taken a leading role against the SDI.

As for the *Washington Post*, it is almost as pro-Soviet as *Pravda*, as well as being the leading Malthusian newspaper in the United States. Publisher Katie Graham, after all, is a leading member of the genocidal Brandt Commission. This is not even to mention the recent charges by Weinberger that the *Post* acted against national security interests by publishing classified information on the space shuttle.

NBC took the front end of the assignment, beginning with a 5-minute Nightly News smear on Jan. 30, and proceeding with its 20-minute First Camera segment on March 4. Hit by LaRouche’s suit for libel, NBC then showed the real purpose in its “journalism” by trying to set up a situation for an assassination attempt against LaRouche.

With the aid of a corrupt court ruling, and a *Washington Post* effort to influence the jury by publishing a story alleging “death threats” against jurors, NBC succeeded in preliminarily fending off the libel charge and in getting an outrageous judgment of \$3 million against LaRouche. Although NBC has so far not moved to collect directly, it is clearly collaborating with the FBI, Secret Service, and the very same dope-lobby interests who provided “witnesses” against LaRouche to carry out financial warfare against him. The front-end of building up a climate for “collection” has been taken up by the *Washington Post*.

The inside job

The real flunkies in the oligarchy’s war against the SDI are their tools in the Reagan administration. The damage

these flunkies have been able to inflict, however, is substantial.

The **Palace Guard** of James Baker III, Michael Deaver, and Richard Darman has tried consistently to get the President to drop the SDI as an "unnecessary fight." In February, the evil power of this group was dramatically exposed when the Guard ostentatiously prevented the President from being briefed on the unlawful denial of Secret Service protection to LaRouche.

Equally dangerous has been **Secretary of State Shultz**, who has flagrantly opposed the Weinberger course on foreign policy all year, and confessed through an official spokesman in March that Henry Kissinger was his "valued confidant." While Shultz has not been able to kill the SDI, he has severely damaged U.S. interests in the Middle East, beginning with the killing of military deliveries to Saudi Arabia and Jordan in March. At the same time that he has tried to cut the United States off from moderate Arabs, he has inflamed the situation in Israel by demanding huge budget cuts.

Shultz has also done major damage in Ibero-America by

pushing the Kissinger policy of interfering in Central America and destroying the Contadora Group's effort to achieve a regionally-based solution to the conflict there. Although Weinberger opposed Shultz's thrust in Ibero-America as early as March, it was not until November that the secretary of defense came out with the decisive policy line against U.S. engagement in "new Vietnam wars." Weinberger's exposition of a war-winning strategy for the United States exposed Shultz's alternations of "hard" and "soft" lines for what they are—setups for crisis management à la Kissinger.

Shultz's State Department is the source of the Malthusian population policy the President has wanted to eliminate also.

Yet the economic policy of supporting IMF looting in the Third World continues, pushed by Shultz, Secretary of the Treasury Regan, and Fed chairman Volcker. This crew is an albatross around the President's neck—one that sabotages his broader strategic objectives in the name of "fiscal responsibility," and remains a vital danger to the nation—until the power of the oligarchical families behind them is destroyed.

1984 foreign diplomacy of Lyndon H. LaRouche

As a presidential candidate, Lyndon LaRouche visited France, Argentina, and Japan, and in each visit graphically portrayed what the policies of the U.S. President must be:

Western Europe: Keynoting a March 22-23 Paris conference which turned out to be France's most important military-strategy meeting of the year, LaRouche called on the United States and Western Europe to jointly develop directed-energy beam weapons as the key to restoring the Western alliance. The event, sponsored by the Fusion Energy Foundation, was attended by 40 military officers and spokesmen of most of the French political parties, as well as many unofficial representatives of the government.

Other prominent speakers included: Scientist Dr. Robert Budwine from Lawrence Livermore Laboratory; Colonel (ret.) Marc Geneste, vice-chairman, Paris Center for the Study of Total Strategy; Gen. Etienne Copel, former deputy chief of staff, French Air Force.

Ibero-America: Were he elected President, LaRouche told a Buenos Aires press conference following a meeting June 28 with Argentine President Raúl Alfonsín, he would aid Argentina "with justice and equality to overcome the crisis unleashed by its foreign debt." He committed himself to reestablishing an alliance of the sover-

eign republics of the Western Hemisphere, noting that Argentina has a vigorous republican tradition based on American System economics, which must be revived.

Illegal U.S. State Department-directed efforts to keep Argentine leaders from meeting with LaRouche during his visit on June 24-30 failed, and the candidate had far-ranging discussions with not only the President, but high-ranking leaders of the country's political parties, trade unions, scientific community, and armed forces.

Following a speech LaRouche made to the Foundation for a Project Argentina, Dr. Cosentino, a nuclear physicist instrumental in launching the country's nuclear program in 1953, commented: "Thirty years ago, I heard a powerful speech given by Gen. Juan Perón, when he announced his decision to initiate the nuclear program, and the strength of it has carried me through the last 30 years. Now today, I have heard a similar speech. . . ."

Asia: "It is my hope that my own country will enter into a new kind of special relationship of cooperation with Japan," LaRouche told the Japanese Institute for Developing Economies in Toyko on Sept. 14. "The cooperation should be dedicated to improvement of the condition of nations on the shores of the Indian and Pacific Oceans," he continued. "We have underrated the threat to the general security of the world erupting from the effects of insufficient economic development of the so-called developing nations." Japan, as the last bastion of capitalist industrial progress, has a world-historical role to play.

Mr. and Mrs. LaRouche spent six days in Japan, where they met with the country's top economic and military policymakers, and some of its leading scientists.

The Ogarkov Plan: major Soviet advances toward world domination

by Rachel Douglas

The conduct of Soviet policy in 1984 belonged to the man who temporarily disappeared on Sept. 6, Marshal Nikolai Ogarkov, after whom the "Ogarkov Doctrine" for total war against the United States and Europe is named. The military maneuvers, command changes, economic mobilization, and diplomacy of the U.S.S.R. throughout the year were designed to bring about a huge expansion of Soviet power and influence around the world and to put the forces and assets in place for winning a general war if the West does not yield to Soviet demands for a redivision of the globe, a "New Yalta," that concedes Western Europe, the Middle East, Africa, and Asia to them.

When Yuri Andropov's death was finally announced in February, former police thug and party hack Konstantin Chernenko stepped into his shoes as Communist Party general secretary and then chairman of the Presidium of the Supreme Soviet and chairman of the Defense Council. This was an exchange of figureheads. As mouthpiece for the military junta running the U.S.S.R., Chernenko was wheeled out to make certain pronouncements: in March, to outline a Kissingerian "code of conduct" for relations among nuclear powers, and in August, to exhort a meeting of party youth activists in the armed forces to nurture "love for the Motherland and hatred for its enemies."

Under military direction, meanwhile, the war buildup proceeded. At top-level political and military meetings throughout the summer and autumn, the Soviets finalized the "Ogarkov Doctrine," establishing the operational plans and readying the troops' war-fighting ability.

The reorganization of the armed forces command structure and the changes introduced to the Soviet economy in 1984 bore the stamp of Ogarkov, who in published writings in recent years had stressed the need to put into place—*before war begins*—the command structures that would be required to fight and win the war. When, in September, Marshal Ogarkov was transferred from his post as chief of staff, he was not demoted, but elevated to oversee the main sector of the wartime command and control apparatus.

The division of the Soviet Armed Forces into Theaters of Military Operations—or Theaters of War—is close to complete. The essential theater is the Western, comprising all troops and units of the Army, Navy, Air Force, Air Defense, and Strategic Rocket Forces directed against the United States and NATO. These, since September, have been under Ogar-

kov's command. Closely related was the upgrading of the Soviet space program and beam-weapons development during 1984; on Dec. 20, the new chief of staff, Marshal Sergei Akhromeyev, pledged to keep pace with the West in "new types of weapons based on new physical principles"—what Ogarkov in a May 1984 interview said would be critical for the future.

The Far East Theater of War, for military operations in Siberia and the Pacific, also underwent a command change, with the transfer of Gen. Vladimir Govorov to the post of deputy defense minister. Reportedly under the direction of 1st Deputy Defense Minister Sergei Sokolov, the Far East command headquarters at Chita, Siberia, is under Gen. Ivan Tretyak. Lesser-scope Theaters of War handle "limited war" and "surgical strike" contingencies pertaining to various regions.

From February's Soviet press endorsement of Walter Mondale to a mid-December threat on the pages of *Izvestia* to put nuclear missiles on the Moon and in orbit, Soviet energies were poured into stopping the United States from exiting the age of Mutual Assured Destruction through beam-weapon strategic defense against Soviet missile attack. Moscow also pursued the closely related goal of splitting the NATO alliance, cajoling and threatening Western Europe every week of the year.

Those leading the movement against these Soviet strategic aims came under constant fire, as evident in unprecedentedly violent attacks by Soviet spokesmen against Lyndon LaRouche and against the Schiller Institute, founded by Helga Zepp-LaRouche. On March 12, *Izvestia* threatened the White House against any contacts with LaRouche. The next month, the KGB outlet *Literaturnaya Gazeta* blasted LaRouche as a "neo-fascist" for advocating beam defense for Europe. And in November, Communist Party official Vadim Zagladin attacked the Schiller Institute's campaign for the freedom of European nations from Soviet domination.

Western Europe, from the Mediterranean to the northern flank, was subject to a constant onslaught of "near-miss" Soviet maneuvers practicing military attacks. The Soviets whipped up friends like Italian Foreign Minister Giulio Andreotti into efforts for an "independent" Europe, decoupled from the United States.

While funding and embracing the new fascist movement in West Germany, the Green Party, Moscow launched its

ugliest propaganda campaign against alleged "neo-Nazism" and "revanchism" in the Federal Republic of Germany (FRG). To the accompaniment of sonic booms made by Soviet fighter jets swooping in over West Berlin and the guns of Soviet soldiers simulating the crossing of the Elbe, the Soviet government on July 10 delivered a diplomatic *demarche* to the West German government. Stating that the Soviets considered the FRG to be in violation of the 1945 Potsdam Agreement, asserted Soviet intentions to dictate and hold veto rights over West German policy and defied the United States to do anything about it.

The Soviets also maintained a less noisy, but very consistent, offensive to gain economic hegemony over Western Europe. An April meeting of top German bankers with their Soviet counterparts in Tashkent, Soviet Uzbekistan, mapped plans for the European Currency Unit to replace the dollar as an international reserve currency. In October, the U.S.S.R. raised its first ECU-denominated loan on the Euromarket.

At home, everything for war

At the Supreme Soviet session on Nov. 27, Soviet Finance Minister Garbuzov made the first public announcement of a Soviet defense budget increase in five years—up 12%. Soviet defense spending is really much higher than the public figures, as our list of just some new weapons systems in 1984 shows, but the announcement confirmed that Ogarkov's di-

rectives on integrating the economy into the war machine are in effect.

In November, the authoritative party journal *Kommunist* printed an article by two wartime directors of the Chelyabinsk Tank Factory, one of the most important military enterprises during World War II, who wrote, "The lessons of the war are . . . also relevant for our own time. Today . . . there is experimental testing of new forms and methods of socialist economy. . . . On the eve of the 40th anniversary of our victory, it is all the more appropriate to recall the positive aspects of the economic mechanism that operated during the years of the Great Patriotic War and which guaranteed the successful work of the economy." The authors boosted the "centralization of resources" in combination with "economic autonomy of the defense enterprises" as particularly worthy of imitation. One practice lauded was child labor; this, too, is back on the agenda for the U.S.S.R. since the Soviet school reform of early 1984.

Preparations for the spring 1985 celebration of victory in Europe also served as a pretext for the wholesale rehabilitation of Stalin as a wartime leader, and all his cohorts, too. The party readmitted 94-year-old Vsyachelav Molotov, Stalin's foreign minister, in July. Svetlana Alliluyeva, Stalin's daughter, was accepted back into the country in November, as were several young deserters from the Soviet forces in Afghanistan, who answered the "call of the Motherland."

Moscow's gains in military technology

April 2: U.S. officials say the Soviets have up to a 10-year lead in beam-weapons R&D, including the x-ray laser, according to *Aviation Week*.

April 20: Defense experts say the Soviets have installed new antiballistic-missile systems on the Kamchatka Peninsula.

July 25: Soviet spacewalkers test a 66-pound tool for metal-cutting, welding, coating, and soldering in space; Soviet press says it will be used for "assembling and erecting space stations and parts of stations."

July 25: *Jane's Defense Weekly* reports the first Soviet full-size aircraft carrier is under construction at the Nikolayev shipyards on Black Sea.

July 29: The U.S.S.R. is testing a sea-skimming transport plane that is a "quantum leap forward in amphibious warfare," writes the London *Sunday Times*.

Aug. 14: The Soviet military press reports surface-to-air missile tests near Kiev; the missile hit "small, fast-moving targets, hard to distinguish from reflected signals from high ground"—cruise missiles.

Aug. 25: The Soviet defense ministry announces a successful test of a land-based long-range cruise missile.

Aug. 27: Norwegian defense ministry photo of new, *Sierra*-class Soviet submarine released.

Oct. 22: Western intelligence reports surface in the press on Soviet deployment of the mobile, three-stage SS-25 ICBM in the Western military districts of the U.S.S.R., among existing SS-20 sites.

Oct. 22: The London *Daily Telegraph* reports, "The Soviet Union is producing a new helicopter, fitted with highly sophisticated anti-tank missiles," the Mi-28.

Sept. 1: Military daily *Red Star* says Strategic Rocket Corps chief Marshal Tolubko attended test of ICBM which hit a small peg driven into ground at very center of the target area, "unbelievably far away."

Sept. 17: Intelligence sources report an accelerated schedule of testing the new SS-25 ICBM and development of others: the SS-X-27, enlarged SS-18, and SS-X-26.

Dec. 10: *Aviation Week* reports on satellite pictures showing that Soviet submarines have practiced breaking through the polar ice of the Arctic Ocean to fire missiles; this would allow close approach to North America and escape from anti-submarine warfare detection.

A year of non-stop military exercises

by Konstantin George

Soviet and Warsaw Pact military exercises in 1984 rehearsed a surprise attack on NATO and a full-fledged naval deployment to sea for general war—the highpoints in an uninterrupted schedule of combat practice lasting from last winter to this one. In these unceasing “exercises” and in the introduction of new weapons systems in every category, we have observed the feverish activities of an empire embarked on a drive for world domination.

The Soviet strategic arms build-up of the past year is unprecedented in history. It started with the Soviets’ crash laser anti-ballistic missile (ABM) program, aptly described in a recent Pentagon intelligence assessment as a drive for “superiority in space-based weapons.” Parallel to this crash program was the Soviets’ drive to construct a back-up “off the shelf” ABM system of defensive missiles, which, although technologically obsolete, can be installed in accordance with Moscow’s near-term timetable of risking war by shooting down a significant percentage of U.S. missiles, thus making Russian war losses “acceptable.” The latter program includes the dual-purpose anti-missile and anti-aircraft SA-10 and SA-12 missile systems and the old “Galosh” ABM system of the early 1970s. An ABM radar system network is under construction, in crass violation of the ABM Treaty.

In contrast to the U.S.A.’s endangered MX ICBM missile program, the Soviet Union’s new generation SS-25 ICBM, a fully mobile missile, is in mass production. As many as fifty SS-25s are already operational, installed in the convertible launchers of the intermediate-range SS-20; 400-500 of them are to be operational within a year. The newly tested SS-24 ICBM, which can be either fixed or mobile, is probably now in serial production. At least 27 nuclear attack subs are being refitted with 3,000 km range cruise missiles, complementing new inventories of ground- and air-launched cruise missiles. Intercontinental-range cruise missiles are also under development.

The Soviet stationing of SS-20 IRBMs in the western part of the U.S.S.R. this year—pointing West—raised the war tempo to the highest pitch ever. Over 400 SS-20 launchers (each with 1 firing and 2 or 3 reload missiles) are already in

place, toward an estimated total of 500 to be operational in 1985.

New weapons of terror are under development and some old ones slated for revival. Should the United States develop an ABM system, threatened *Izvestia* commentator Valentin Falin on Dec. 12, the Soviet leadership would build offensive systems of the following types: 1) Fractional Orbit Bombardment Systems (FOBS), orbiting nuclear warheads, planned in the 1960s, which on signal, drop to their targets within minutes, 2) super-heavy missiles which are safe against weaker chemical lasers, and 3) devices that could paralyze all communications systems.

War rehearsals of the Russian empire

On July 4 and 5 of 1984, 11 of the 12 Soviet army divisions in East Germany, stationed closest to the West German border, left their barracks and went into “pre-attack jump-off positions,” the terrifying, too-realistic climax to the largest military maneuvers ever staged by the Russian armed forces since the end of World War II. This rehearsal of a surprise attack on West Germany came in the context of maneuvers involving solely Russian troops, held from June 28 to July 5 in East Germany, Czechoslovakia, Poland, Hungary *de facto*, the western U.S.S.R. military districts, the Baltic and Leningrad military districts, and the Baltic fleet.

These dramatic events, which sent alarm bells ringing in the NATO military command, followed the greatest armored and helicopter-borne unit and fighter-bomber reinforcement of Soviet forces in East Germany and Eastern Europe since the war. This occurred in parallel with the mass stationing of new-generation precision short- and medium-range SS-21, SS-22, SS-23 missiles with Soviet forces in East Germany, Czechoslovakia, Hungary, and Poland, as well as in the Baltic and Leningrad Military Districts facing Scandinavia, and with a major command reorganization of the Soviet forces in East Germany, where now the Soviet armies there are commanded by a “new breed” of “Guderian”-type generals selected for their total commitment to a *blitzkrieg* surprise attack.

Both before and after the July attack practice, there was a sequence of almost-constant maneuvers throughout Eastern Europe. Following announced rehearsals of winter war fighting by Soviet, Czechoslovak, and Hungarian troops in western Czechoslovakia from Feb. 6-12, there also came reports of secret maneuvers during February of 60,000 Soviet and East German troops inside East Germany. In March, the Soyuz-84 staff exercises of Warsaw Pact forces in Bulgaria, Hungary, Romania, southwest U.S.S.R., and the Black Sea followed close on the heels of Druzhba-84 maneuvers of Soviet, East German, and Polish forces on Polish territory. Yug-84, another exercise in East Germany, which took place during March and April, and Summer-84, the Warsaw Pact staff exercises in Poland during May that focused on field

communications kept the Soviet level of mobilization at a high level leading up to their June-July show of force.

During this same period, Soviet fighter planes repeatedly flew interference against civilian planes in the air corridors to West Berlin, threatening at any moment to touch off a full-fledged Berlin crisis. They also kept NATO air defense in a state of alert by flying straight at the West German border at high speeds, peeling off only within seconds of a violation.

The Soviets exercised their nuclear forces in East Germany in late July, and this was followed by the gigantic Shield-84 Warsaw Pact maneuvers of September. The forces for attack on the nations of Europe had remained in place throughout the year.

Advances on the flanks

The predicament of Europe is even more dramatically portrayed by a listing of Soviet advances and threats along the weak and crumbling northern and southern flanks of the Western Alliance.

Reviewing northern Europe, we find a grim situation:

- The Norwegian territory of Spitzbergen in the Arctic Ocean can be occupied within minutes by the Soviets using, at least in part, the thousands of Russian "civilians" residing there legally through a 1920s treaty.

- The northernmost mainland part of Norway, Finnmark, is a prime target for a Soviet "surgical strike," which would give the Soviets direct access to the North Atlantic.

- Finland is almost part of the Warsaw Pact, having all the ingredients but an actual Russian troop presence.

- Sweden has been subjected throughout 1984 to Soviet air incursions (including a near miss of a new "KAL" tragedy in which Soviet fighters in August pursued a passenger plane into Swedish air space). In spite of Soviet operations, however, Sweden remains locked in the hands of Soviet asset Olof Palme.

- Denmark, bordering West Germany, is a prime candidate for a Soviet surgical strike and through the machinations of the Social Democracy is veering ever closer to the supposedly "neutralist" position of Palme's Sweden.

If the northern flank looks grim, the southern flank, the Mediterranean littoral, is catastrophic.

- Greece, a nominal member of NATO, is actively working with Moscow. Greece's renegade prime minister, Andreas Papandreu, has just formed an axis with Soviet client states Libya and Syria, shifting the Mediterranean balance toward Moscow.

- The strategic Mediterranean island state of Malta is being brought into the Soviet sphere as the "Grenada" of the Mediterranean.

- In the Balkans, International Monetary Fund victim Yugoslavia faces economic and social disintegration, with the possibility of being fragmented along ethnic-regional lines, a process under close and interested observation by Russia,

Russia's Balkan puppet Bulgaria, and the Stalinist psychotics of Albania.

Along with these political developments came a Soviet show of its forces in the Mediterranean. In January, the missile-carrying Kirov cruiser led the highest-power naval group ever deployed by the Soviets into the Mediterranean.

In the Far East, the Soviet Union has vastly built up all branches of its military service, its strategic bomber and SS-20 missile capability, and troop concentrations on Sakhalin Island and the Kuriles. Throughout the year, the Soviets have harassed Japan with airspace violations. And Soviet surrogate North Korea has just undergone the largest increase of its armored troop capability since the Korean war. North Korea now has three new armored corps in western Korea opposite Seoul, the invasion corridor of the 1950s.

In Afghanistan, where the Soviets are waging a war of extermination against the population, Russian troop strength has risen to 220,000, nearly doubling in 1984. There are now 130,000 Soviet mobile combat troops there and 90,000 troops guarding fixed points. Soviet air raids and artillery bombardments of Pakistani territory and villages are also nearly a daily occurrence. Most alarming, however, is the construction of air bases in the extreme southwest of Afghanistan, the part closest to the oil region of the Persian Gulf.

The Soviets have built up and tested their forces in each region in turn. The Soviet command, however, has also conducted exercises encompassing many regions at the same time. In late March, the Soviet command carried out what will probably in retrospect be called "Okean-84," the largest-ever exercises of the Soviet navy, conducted simultaneously in all the oceans of the world. On March 26, most of the Soviet Union's nearly 1,000 ship-strong navy was deployed out of home port in combat formations around the globe. These deployments were defined as "exercises," but the overall deployment, including the surge of submarines and combat ships into the North Atlantic from the Baltic, the North Sea, and from Murmansk through the Greenland-Iceland-United Kingdom gap, was unquestionably a simulation of general war. Senior NATO officials said they were "stunned" by the size, extent, rapidity, and surprise of the Soviet deployment. It tested a new global command-control communications system; it saturated the early-warning submarine detection means of NATO in the North Atlantic; it tested sophisticated anti-submarine warfare capabilities; and it put most, if not all, the Soviet nuclear-missile submarines out of port, at battle stations that were nearer than ever before to their ultimate targets in the continental United States.

In short, all predictions which had earlier claimed that such Soviet buildups were impossible in all geographical areas and the strategic realm combined were proven false. If such wrong assessments persist in being dominant in Western policy-making circles, the West may not have the luxury one year from now of looking back to see what went wrong.

'Pragmatic' concessions to IMF may kill debtor nations

by Vin Berg

At the close of 1983, *EIR* warned Ibero-America's leaders not to continue in their adopted policy of short-term expediency, subjecting their economies to the kind recommendations of the International Monetary Fund. While they did so out of fear of invoking the wrath and countermeasures of the supranational financial institutions, we told them, often personally, that IMF austerity is more destructive than the consequences of a debt moratorium: IMF "austerity" is not a financial policy, not an economic policy, not a policy designed to enable you ever to pay your debts. It is a political policy aimed at the destruction of your nations and the mass murder of your peoples. Force a joint renegotiation of your debts by the collective threat of default—or prepare to watch the very social and political fabric of your nations systematically decimated.

Unfortunately, perhaps tragically, the governments of Mexico and Brazil determined the outcome of the battle over debt for the year 1984 by expediently making a deal for "favored treatment" over the other debtor nations of the continent. The consequences for the continent as a whole, including those "favored" nations, have been devastating. Step by step, every nation has been forced into "pragmatic" concessions to the creditors; step by step, they have handed over chunks of their populations, their productive capacities, and their very sovereignty to foreign creditors.

The opening of the Ibero-American continent to a flea market sale to creditors, in the name of "foreign investment" and "debt for equity," is now only a step away. In Brazil, proposals under serious consideration include payment of foreign debt by means of deposits of cruzeiros in accounts in creditors' names—with U.S. bank regulators instructed by

Fed chairman Paul Volcker to look the other way when it comes to such non-dollar payments, which are contrary to U.S. banking law. Such cruzeiro accounts would be discountable, marketable, i.e., could be used to buy up the corporations and resources of the nation: "debt for equity." Mexico is under pressure for similar measures, including permitting indebted private firms to sell off their stock to foreign purchasers in lieu of debt payment, contrary to the nation's current 51%-49% domestic-ownership laws.

As U.S. Secretary of State George Shultz emphasized in speeches in Brazil on Nov. 12: "Open up the door to foreign investments and we will try to help you; but, if they don't, the developing countries will have even greater difficulties ahead of them." Public and private loans would become available only after governments permit "greater investment flows and voluntary conversion of debt capital into investment capital."

The road to genocide

In the corridor of a conference on debt held Nov. 10 in Iguazu, Argentina, Morgan Guaranty Trust's chief international economist, Rimmer de Vries, told reporters, "The debt crisis has been solved: Latin America will be a net exporter of capital for the remainder of the decade"—that is, it will pay out more capital than it receives, through continuing to import one-third to one-half less than it exports.

De Vries' evaluation supposes that the current rate of looting of the Ibero-American economies may continue indefinitely. Brazil's currency, for example, has been devalued 62.47% during 1984. Brazil's output is roughly 20% below the level of 1982. Brazil is importing virtually nothing but

petroleum. Mexico and Brazil are suppressing imports even of spare parts and raw materials, let alone capital goods, and exporting everything that is not nailed to the ground at extreme devaluation prices. On the basis of this, both nations racked up trade surpluses roughly equal to their debt-service requirements for 1984.

What this means for the poorer strata of Ibero-America can be read from an estimate recently produced by SELA, the Latin American Economic System: Every 1% increase in interest rates is equivalent to 17 million tons of imported cereals. A ton of grain represents basic life support for one person for one year; a 1% rise in interest rates, therefore, compromises the existence of 17 million people under conditions where much of the continent is just at or already below the boundary line of survival.

As the impresario said to the desperate vaudevillian who offered to commit suicide on stage, "What do you do for an encore?"

With such brutal measures in force, for the moment, the largest of the debtors have been able to meet their interest payments, mainly from trade surpluses. However, since these surpluses have been absorbed by the United States, which can afford this only because of massive capital inflows which must soon end, the developing nations ability to pay their interest through exports must also soon end.

In anticipation of this, the IMF is already demanding that the United States prepare to undergo the same austerity measures which have ruined the economies of Ibero-America. In a speech sponsored by Mocatá Metals on Sept. 24, billed as the "secret keynote" of the then-ongoing IMF annual meeting in Washington, Henry Kissinger set forth the policy:

"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."

Nearly a debtors' cartel

During the first six months of 1984, Ibero-American leaders appeared to be heeding our advice. If they spent much of 1983 closely considering adoption of Lyndon LaRouche's *Operation Juárez* program, they spent the first half of 1984 putting in place the mechanisms for doing so:

- A five-nation tour by Mexican President Miguel de la Madrid March 26 to April 7 focused discussion on closer integration of the economies of the continent, and, as if an afterthought, arranged for Mexico, Colombia, Brazil, and Venezuela to loan Argentina \$300 million, while Argentina threw in \$100 million of its own reserves, and the U.S.

Treasury added another \$100 million in addition to guaranteeing the other nations' loans. As a result, Argentina was enabled to meet \$500 million in overdue interest by March 31. It was "a debtors' cartel to pay, not not to pay," as Mexican Finance Minister Jesus Silva Herzog put it. While some bankers rejoiced at the thought that other Ibero-American nations were now themselves "creditors" to Argentina, and thus might be expected to pressure Buenos Aires into a deal with the IMF, it was observed that, at root, Argentina's debt had been "regionalized." The combination that had enabled debt payment this time had also set a precedent for potential joint non-payment next time.

- De la Madrid's tour resulted in billions of dollars in trade deals and joint projects based on barter, reciprocal credits, and use of local currencies instead of dollars. It amounted to an economic defense pact. And in accompanying communiqués, the Presidents demanded lower interest rates, improved terms of trade, longer payment periods, and ample grace periods, as well as new credits and an end to IMF policies which mean "the destruction of our productive base."

- De la Madrid brought the results of his trip to Washington May 14 for discussions with President Reagan. In a toast to the President May 16, the Mexican President declared: "We know that you want to have dignified, prosperous, and strong neighbors. It is very important that a powerful nation such as the United States, which is the most powerful nation of all, can say to other countries, 'We have neighbors who are dignified; they are not slaves.'"

- After the Washington trip proved fruitless, on May 19, de la Madrid and the heads of state of Brazil, Argentina, and Colombia released a joint communiqué announcing, "We will not accept seeing ourselves thrust into a situation of forced insolvency and continued economic stagnation," and calling for "a meeting . . . of our countries foreign ministers and finance ministers, to which we shall invite the ministers of other Latin American governments . . . with a view to reaching solutions satisfactory to all the nations involved."

- On June 21-22 in Cartagena, Colombia, 11 Ibero-American debtor-nations' ministers convened, and in effect, formed a debtors' cartel. A program for debt relief in the "common interest" of all was issued, and a follow-up meeting was scheduled for Mar del Plata, Argentina, on Sept. 14-15.

Enter Kissinger

In sum, the March-through-June developments, which included formal declaration of default by Bolivia, had unified the continent in the clear direction of LaRouche's *Operation Juárez*. The Cartagena meeting de facto established a "debtors' cartel," although none of the participants wished to call it by that name. Otherwise, the meeting resolved to reconvene whenever emergency conditions, such as a rise in international interest rates, made joint debtor action advisable.

Predictable unhappiness on the creditors' side turned into serious fear in late June, when *EIR* founder Lyndon H. LaRouche, the author of the debtors' cartel proposal, visited Argentina for a week and met with President Raul Alfonsín—the initiator of the Cartagena Group meeting.

It was in the aftermath of the near-miss blowout of the international banking system on June 30, 1984, that the creditors decided to take action. Operating on the basis of a strategy delineated by Henry Kissinger, the creditors decided to divide the emerging debtors alliance by offering Mexico and Brazil special deals, and isolating Argentina for harsh retaliatory treatment. A banker closely associated with Kissinger told *EIR* frankly at the time: “[We have to] get the Mexicans, the Brazilians, and the Venezuelans wrapped up very quickly, in order to tackle the Argentine problem, which is unique and distinct, alone and by itself, before the end of the year.”

This divide-and-conquer strategy was also helped along by an all-out offensive launched over the summer by the drug-running mafia to overthrow the constitutionally elected governments of Colombia, Bolivia, and Peru. The first two were strongly committed to joint debtor action (see page 54).

With this as background, Henry Kissinger himself deployed to Buenos Aires in mid-September, precisely the days of the Mar del Plata meeting of Sept. 14-15.

At that meeting, debtors did keep their “club” intact, called for the “politicization of the debt,” and demanded a summit of the Western industrial governments with the debtors for early 1985 to discuss the debt as a bloc. “A direct political dialogue on the debt problem is essential,” the communiqué stated.

This call created visible friction at the U.S. Treasury, which issued a statement reaffirming its support for the “case-by-case approach” of the IMF. The British foreign office called in seven Ibero-American ambassadors on Sept. 14 and told them bluntly that Britain would go to all lengths to stop a debtors' bloc.

However, Henry Kissinger, on the scene, succeeded in persuading the debtors to take no action, and the U.S. banking system received a reprieve from a large hit by several debtors at once. Specifically, Mexico and Brazil opted for the Kissinger plan. For the remaining months of 1984, at least, they cut a separate deal with the banks, and have been granted long-term stretch-outs of their debts. In return, both countries acted at the Mar del Plata summit to quash any firm joint debtor action.

Kissinger advised U.S. Treasury Secretary Donald Regan to pay lip service to the idea of a North-South dialogue on debt, which the latter did by announcing that such talks could occur in the context of the April 1985 IMF interim committee meeting. In other words, the “dialogue” will not discuss whether, but only how IMF austerity is to continue being imposed.

Kissinger is at this point fully in the driver's seat insofar as defining overall creditor strategy is concerned. His mid-September visit to Argentina consolidated his position as *the* go-between on the debt question. He was able to deliver a New York meeting with Argentina's top bank creditors to President Alfonsín, and likewise delivered Alfonsín to the bankers.

Three features have characterized Kissinger's approach on the debt question all along, three features which are now operational policy for the creditor camp as a whole:

1) *Divide the debtors*. This is the guiding conception behind the deals with Mexico and Venezuela. As one banker quipped to the *Wall Street Journal*, “Two down, two to go.”

2) *Remove the weapon of default*. As far back as 1983, Kissinger had urged that circumstances be created where debtor threats of default not be able to credibly blackmail the creditors into concessions. Argentina is slated to be the test case of this strategy. As of Sept. 30, U.S. banks had written off 20-40% of their Argentine loans. Thus, even if Argentina actually declares a default in response to unacceptable IMF/creditor pressure, the banks would be in a position to “take the hit.” This, of course, would not work to the degree that Argentina is supported by other debtors.

3) *Exchange debt for equity*. *EIR* first revealed this to be the emerging creditor strategy in September 1983, when it was discussed at the secretive Vail, Colorado meeting of Kissinger and his banker friends. Now it is fully operational, with Brazil and Mexico being subjected to particular pressure to transform whole chunks of their debt into national assets, which they would then hand over to their creditors.

Recolonization?

Proposed changes in Mexico's central bank law announced Nov. 12 exemplify the process by which Ibero-American debtor nations might literally be recolonized. The new legislation would build IMF conditionalities directly into the ongoing management of the Mexican economy, making the organs of the Mexican government a creditors' instrument for the looting of the country. In constitutional terms, the enactment of this legislation would return Mexico to the status of the pre-1910 Porfirio Díaz regime.

The new law would eliminate the obligation of the Mexican central bank to absorb whatever deficit the government may incur by purchasing the obligations of the government; instead, the government must replenish any borrowings from the central bank after each 30-day period, funding its deficit through the “private market.” Were this law to be accompanied by denationalization of Mexico's banks, as some bankers expect, control of the government's finances would be turned over to a private banking oligarchy whose principal allegiance is to the same financial interests that sent Maximilian of Hapsburg to Mexico as creditors' viceroy more than a century ago.

How U.S. currency policy helped the Soviets in 1984

Fed Chairman Paul Volcker, the International Monetary Fund, and the Bank for International Settlements (BIS), deliberately used the overvalued U.S. dollar during 1984 to loot and destroy the economies of America's allies, a program which has been far more valuable to the Soviets than a mere dollar crisis would be. The dollars flooding into the U.S. economy from abroad have done it about as much good as free heroin does an addict. They have, however, made the United States more vulnerable to a Soviet/Swiss "monetary Pearl Harbor," crashing the dollar. The year's "Dollar Reich" also discredited gold in the eyes of the administration; starting out close to \$400, the metal fell all year, to a little over \$300.

During the course of 1984, the dollar actually rose in a step function which paralleled the Soviets' rising military pressures around the world, especially on Europe. This began with Arthur Burns' famous deliberate incitement of flight capital out of West Germany in December 1983-January 1984, when the dollar rose from DM 2.69 to DM 2.81 (see chronology). The Soviets began heavily accumulating dollars and never really stopped doing so for most of the year. The dollar was at DM 2.90 by July, and charged straight up to DM 3.10, falling back to the 2.90 level briefly in October, then regaining the 3.10 levels.

In other words, the dollar is being held up for political reasons, which could continue as long as the Soviets and their assets create enough political terror in Europe and Asia to drive out flight capital.

The warfare against the Reagan budget has taken the tack that the threat is mightier than the execution. When the 1985 budget came out in February 1984, the dollar declined somewhat. Then, as the chronology shows, right at the dollar's low, the Swiss urged *other* investors to dump their dollars. Immediately afterwards, the dollar went through the ceiling again, as U.S. banks were forced by the Swiss to borrow dollars to fund their Latin American loans. This only accelerated the process which the BIS announced at the year's beginning: the United States had become a debtor nation during 1984.

January

- Arthur Burns, U.S. ambassador in Bonn, reportedly predicts capital flight into U.S. will cause a near-term collapse of the Deutschmark, which falls to below 2.81 to the dollar as a result—the beginning of pressures for Germany's financial decoupling from America.

- The Soviet Union is reported to have accumulated \$30 billion in long dollar positions, and is reported accumulating dollars at \$1 billion a week.

- Swiss banking sources warn that dollar's rise is only a set up for a dollar crash if Europe imposes exchange controls.

- Soviet-South African collaboration in gold-price fixing revealed; *Der Spiegel* also reports price-fixing collaboration on diamonds, chromium, vanadium, manganese, and platinum.

February

- BIS reports U.S. banks had become net borrowers (\$10 billion) on the Eurodollar market for first time since Civil War during last quarter of 1983.

- Dollar falls after release of Reagan budget deficit prediction of \$180 billion for FY 1985.

- Fed chairman Paul Volcker tells Joint Economic Committee of Congress that capital inflows had financed Treasury deficits for past two years, that this was now at an end, and that \$50 billion had to be cut from the budget.

- The dollar, at 2.86 marks in mid-January, falls to 2.67 marks on Feb. 7, a decline of almost 7%.

March

- Japan comes under pressure to liberalize its money and capital markets, permit U.S. access to a "Euro-yen" investment market, and decontrol Japanese interest rates which are kept below U.S. rates for business lending.

- Swiss bankers advise selling positions on the dollar, and hedging against its plunge.

- Swiss banks use pressure on American banks due to March 31 payments deadline to force massive new U.S. borrowing on Eurodollar market, causing a rebound in dollar's value.

April

- European central bankers led by then-BIS chief Fritz Leutwiler reported arranging greater use of European Currency Unit (ECU), previously merely a unit of account, in trade and bond transactions.

- German banker Otto Wolff von Amerongen proposes ECU parity with Soviet "transferable ruble."

- Week-long meeting of German and Soviet bankers in Tashkent, Uzbekistan is held "to find an international currency to replace the dollar." Soviets demand ECU.

- BIS report shows a \$10.3 billion U.S. trade deficit in March, representing import-purchases with overvalued dollar, with large supplements from direct Eurodollar borrowings to finance budget deficit.

May

- Central bankers gather in New York May 7-8, and force U.S. banks to raise prime rate to 12-12½%.

- Eurodollar investors, including the Bundesbank, organize run on Continental Illinois, requiring an \$11 billion bailout by combination of federal agencies and private banks.

- Bundesbank chief Karl Otto Pöhl demands U.S. cut its defense budget to relieve deficit.

- Manufacturers Hanover and other U.S. bank paper plunges on London market; dollar drops steeply, with fears of debtors' cartel action against U.S. creditors cited.

June

- Secret June 5 meeting at BIS in Switzerland plans expansion of scope and use of ECU; three largest Swiss banks float ECU Eurobond for European Community.

- Swiss *Neue Zürcher Zeitung* warns that U.S. savings and loan banks are in worse shape than U.S. commercial banks.

- London economic summit denounces U.S. deficit as cause of world financial crisis.

- BIS and OECD annual reports both warn of a withdrawal of foreign capital and precipitous fall of the dollar.

- Continuing run on U.S. bank deposits forces banks to pay higher interbank rates to attract funds, propping up dollar's value.

- Sources report Fed chairman Volcker and IMF director de Larosière want to use U.S. banking crisis to force mergers and consolidations of U.S. banks into Canadian-style cartelization.

July

- Price of gold plunges \$23 on July 6 to \$338, a two-year low; a Soviet-Swiss "bear raid" is suspected.

- Soviet economist Felix Gorzunov writes in *New Times*, "An eruption of the 'financial volcano' of international indebtedness is quite possible," crushing the American banking system.

- As Soviet military maneuvers proliferate, dollar reaches record highs against European currencies. Italy freezes its commercial banks' dollar borrowings at June 30 levels, a form of exchange control, in response to lira's fall to lowest level against dollar in history.

- Continental Illinois is effectively nationalized July 26, as new board of directors is appointed by Federal Reserve.

August

- Henry Wallich, Federal Reserve governor and liaison to BIS, warns that dollar is overvalued, that current value

cannot be sustained, and the only way to avert disaster is to reduce federal budget deficit.

- U.S. Treasury, having trouble raising funds abroad, submits proposal to Congress for sale of "bearer bonds," anonymous paper preferred by tax-evaders, drug-dealers, as means of attracting more flight capital.

- IMF head de Larosière in Innsbruck, Austria Aug. 27 demands higher taxes and drastic budget-cutting in all Western industrial nations to halt growth of public and private indebtedness.

- Moscow's Narodny Finance purchases its first Eurobond Aug. 29 from a consortium led by the Deutsche Bank of Frankfurt, which also led in financing Soviet-German natural gas pipeline.

September

- IMF annual report (Sept. 12) predicts drastic collapse of U.S. dollar.

- First Soviet ECU-denominated loan taken out by foreign trade bank, Vneshtorg, from France's Crédit Lyonnais, \$56 million at "very fine terms."

- Europeans reported buying dollars at a loss in reaction to Soviet military pressures on Europe; European Community finance ministers meet to discuss increasing ECU interest rates, amounts of ECU-denominated debt, and removing barriers to ECU commercial use.

- IMF meets in Washington; "secret keynote" by Henry Kissinger at Mocatta Metals luncheon calls for U.S. to undergo IMF conditionalities austerity.

October

- Comptroller of the Currency C. Todd Conover announces Oct. 15 that regulators will permit nationwide banking by "nonbank banks"—those that don't make commercial loans—clearing way for large banks to buy smaller ones out of state.

November

- Soviet KGB official Dzhermen Gvishiani tells European bankers in Paris Nov. 3 to promote the use of the ECU in East-West trade financing.

- Former German Chancellor Helmut Schmidt outlines in Nov. 9 *Die Zeit* a plan for international use of ECU, as a means of decoupling from the U.S. economy.

- London sources report Wall Street houses have accumulated largest stock of bond holdings in history, and plan to unload in early 1985 to create maximum pressure "over the size of the U.S. deficit."

- U.S. bank regulators force major banks to raise capital-to-asset ratios; move will permit foreign bankers to buy up stocks U.S. banks must sell cheaply to raise capital, in the direction of making the survivors of a cartelized banking system colonial branches of foreign banking powers.

LaRouche's plan for Pacific development

by Linda de Hoyos

On October 31-November 1, *EIR*, in collaboration with the Fusion Energy Foundation and the Communications Ministry of Thailand, sponsored its second conference in Bangkok on the "Kra Canal and the Industrialization of Thailand." Almost exactly a year before, on Oct. 23, 1983, American statesman Lyndon LaRouche had traveled to Bangkok to keynote an *EIR* conference calling for constructing a canal through the Kra Isthmus of Thailand. This idea, first put forward in the late 18th century, was the subject of feasibility studies carried out in 1973 by U.S. engineering firms. But the project was shelved again after the Kissinger-orchestrated oil crisis cut the world oil trade. LaRouche's revival of the project foresees constructing a canal to speed shipping flows through Asia and using the canal and an adjoining super port as a focal point for industrialization and trade in all of South-east Asia.

The conference in 1983, also co-sponsored by the Communications Ministry under the leadership of Samak Sundaravej, put the project on Thailand's national agenda. The conference this October, with prominent speakers from Indonesia, India, Philippines, Malaysia, Japan, and the United States, in addition to Thailand, has set the wheels in motion for the realization of this project. With over 250 participants, including many representatives of the Thai military, government, and business sectors, and representatives of corporations from all over Asia, the conference concluded with an informal regional mandate to place the canal project before the Thai government for approval and steps for implementation.

In 1985, the *EIR* will further organize conferences on the development of the total Southeast Asian economy and on a 40-year industrialization program for India, which will emphasize the advantages for India to reorient its economic thinking toward the rest of Asia in the East, as opposed to limiting its perspective to the West and the Soviet Union.

The Pacific Basin

The Kra Canal is one of five Great Projects put forward by LaRouche in his development program for the Pacific

Basin. The other four are the construction of a second Panama Canal—which would also provide the spoke for industrialization of Central America—and three water management projects: the development of the Ganges-Brahmaputra rivers systems on the Indian subcontinent; the harnessing of the Mekong River in Indochina; and the construction of a North-South canal linking the Yellow and Yangtze Rivers in China.

Of these four projects, in the last year, the most significant progress has been made on the Panama Canal. In December, the governments of Japan, Panama, and the United States announced their agreement to carry out a full feasibility study on options for solving the increasing congestion around the current Panama Canal, where ships now queue up for five days. These three countries have also invited the South Korean government to participate in the studies.

Since the mid-1970s, the large-scale construction of great projects has been slowed by the same worldwide economic slide that put the damper on the Kra Canal. In Ibero-America, with the completion this year of the Itaipu Dam in Brazil, now the world's largest dam, there is no other Great Project on the horizon. The International Monetary Fund has enforced the shutdown of national projects, especially in Mexico, where the oil revenue, originally planned to be plowed into building cities and ports, is now being siphoned off to pay the foreign debt.

The Panama and Kra Canals would be constructed most efficiently if they were carried out in coordination. Their consideration now could be a major break away from the economics of Malthusian austerity imposed by the World Bank and the IMF, and the beginning of pulling the underdeveloped sector into shape for entry into the 21st century.

The key to carrying out this industrial policy is the linking of the nations of India, Southeast Asia, and Japan in a single system of cooperation with the United States and Ibero-America. Only this combined production and trading complex is adequate to support balanced development. India, for example, is a major industrial nation, despite the burden of a large, poor, rural section of the population and production. It ranks third in the world in the number of scientists and related professionals it produces. Yet it is severely lacking in facilities in which these scientists can reach achievements commensurate with their potential as a scientific labor force. Japan, on the other hand, has such facilities, and a near-crisis shortage of scientific, as opposed to engineering, manpower.

Great projects are crucial to the development of all regions in the world; there is a direct correlation between the development of infrastructure to solve the problems of energy, water, and transport, and the productivity of a national economy. But for Asia, these projects have special significance. By the time the world enters the 21st century, nearly two-thirds of the world's population will be in Asia. A United States foreign policy toward the Pacific Basin that makes encouragement and participation in such projects its focus is the best security guarantee for the region and the world.

There is an alternative to MAD-ness in economic policy

by Christopher White

1984-85 is a turning point in the economic history of the United States, but not for the reason that most of those who have been through the programs of economic faculties of advanced sector universities would assume. This is the year in which the last fag-end of what was called the baby-boom of the 1950s and early 1960s comes to an end. By now the cohort of the population born between 1960 and 1965, has either graduated college, or entered what is now called the work force. From here on out the demographic decline of the U.S. population, if not reversed, is going to accelerate.

This reality has been charted out by economists at the Hubert Humphrey Institute in Minneapolis. They have calculated the number of work places that will no longer have to be created, because the work force will begin to decline in size. They have estimated how much the nation's energy supply can be reduced, as a consequence of the declining number of work places. And they have figured how many fewer housing units the country will require, because the population which needs to be housed is shrinking.

Underneath all the hokum about the Recovery, the reality is that the United States as a society is committing the moral equivalent of suicide. We are now beginning to suffer the chain-reaction effect of the policy shift that was imposed on the country between 1957 and 1963. This shift was then consolidated during the years of the Johnson administration's Great Society programs.

It is a further measure of the degeneracy of our economic policy-making that outside of Lyndon LaRouche, the economist and former Independent Democratic candidate for President, there is not one economist, or institution teaching economics in the country, that considers the present demographic breakdown crisis to be a problem that has to be addressed. Still less do they consider it to be a problem to be solved in the domain of economic policy. The neo-Malthusian current, typified by the Humphrey Institute, misanthropically and criminally welcomes such indications, as portents and omens that what they consider to be the root cause of all the world's problems, namely the existence of people, is being solved. The maniacal monetarists insist for their part that all be left to "the magic of the marketplace." Like their English-language predecessor Adam Smith, they insist that

it is beyond the purview of mere human beings to seek to change the influence of the "invisible hand."

This kind of thinking has to be changed, otherwise there will be no nation, and there will be no human population in the world.

Studies of the real U.S. economy

Over the course of the year, LaRouche commissioned a series of studies of the U.S. economy, which both highlight what blinkered conventional, Harvard-miseducated wisdom, purblindly ignores, and point the way to what has to be done.

The LaRouche approach proceeds from his conception of potential relative population-density. Man, unlike lower forms of animal and plant life, progressed from the baboon-like hominids of the late Pleistocene, to a current population level worldwide of about 4.5 billion people, by changing the physical universe of which man is part. Such changes are measured by correlating the number of square kilometers required to support a population of a certain size, at a given level of technology.

It is shown that human existence, to remain human, requires progress, in increasing the per capita and per hectare flux densities of energy consumption, which reflect humanity's increasing power to master and transform nature to sustain human existence for an increased population at expanded levels of material and cultural progress. If man does not progress, he dies.

From this standpoint those areas which define the life or death crisis the United States has entered were identified.

First, the declining birth rate. The youth population of the United States is now lower than it was in 1960. The total population of the country has been growing twice as fast as the youth population. The population over 65 has grown twice as fast as the total population.

Second, the declining rate of increase in energy production. While total production doubled during the 1960s, the growth rate declined to 25% in the 1970s. But, with Jimmy Carter's appointment of Paul Volcker

to head the Federal Reserve Board in 1978, the amount of energy the country produces began to decline in absolute terms.

Third, the shifting composition of the country's labor force. In the 1950s over 50% of the country employed labor force was employed productively, to produce what enabled the country to function. Now that ratio is down in the range of 25%. Seventy-five percent of the labor force of the economy is employed in overhead functions.

Fourth, the infrastructure deficit. Under present conditions it is calculated as \$3 trillion that was not invested to maintain or replace the nation's decrepit and decaying transportation grid, energy production grid, and collapsing urban infrastructure.

Fifth, the crisis in food production, engendered by the deliberate destruction of the independent farmer-producer, resulting, thus far, in milk shortages, escalating prices for fruits and leafy vegetables, and the destruction of the nation's capacity to produce.

Underneath all the hokum about the Recovery, the reality is that the United States as a society is committing the moral equivalent of suicide. We are now beginning to suffer the chain-reaction effect of the policy shift that was imposed on the country between 1957 and 1963. This shift was then consolidated during the years of the Johnson administration's Great Society programs.

In each of these areas, which have been documented extensively over the year, what do the so-called experts say? On the last, they claim that we are over-producing food, even as entire continents in the so-called developing sector face the threat of starvation. On the fourth, for them the collapse of infrastructure does not count as a problem, even though the \$3 trillion dollar deficit mocks at Volcker's claim to have solved the problem of inflation.

On the third, we hear every month that the number of

unemployed is decreasing, that more and more jobs are being created. But unemployment is, in reality, at levels of over 20% of that portion of the population which should be employed. The economic experts do not consider what kind of work people do, or whether their employment is a cost to the economy as a whole, or a contribution to meeting overhead cost.

And on the second and first we hear the same deafening silence.

This kind of economics has nothing to do with economics as such. Modern economics, as LaRouche has emphasized (*So, You Wish to Learn All About Economics?* by Lyndon LaRouche, New Benjamin Franklin House, 1984) begins with Gottfried Wilhelm Leibniz's work on the heat-powered machine, as a branch of physical science, and is transmitted through the American System school of Benjamin Franklin and Alexander Hamilton. Out of the work of this school we inherited the institutions, and the power, of the modern industrial nation state, as the vehicle for the traditional maxim of republican statecraft, "to govern is to populate."

The economics of nuclear MAD

What our insane, or worse, criminal experts call "economics" comes from an opponent tradition of statecraft and morality. In this recent period, what we have been induced to tolerate as economic policy, has been, in fact, a branch of strategic doctrine, known as Mutually Assured Destruction, or MAD-ness. In this view enunciated by Leo Szilard and Bertrand Russell in the 1950s, the threat of thermonuclear destruction was employed to turn back the clock on human progress. It was argued insanely that nuclear missiles made war obsolete, because there would be no winners in such a war. And that therefore the logistical support for war-fighting capabilities, in terms of skilled work force, industrial and infrastructural capabilities were no longer needed either, and could be dismantled. Such considerations fueled the policy shift of the period 1957-63, which was consolidated during the Johnson Great Society years, and fueled the cultural pessimism and despair which bred on the nation's dismantled industrial and technological capabilities. The demographic crisis we now face is the consequence of that spread of embittered pessimism.

Now we reach the point of crisis where ever more of our population will need to be supported by an ever declining work force. The combination does not function. What needs to be done to reverse the trend is clear from the studies LaRouche commissioned. Great infrastructure development projects are required, new cities must be built, the composition of the labor force must be shifted back so that productive labor, technicians, and scientists, and the associated cultural values, again predominate over the morality of the salesman and clerk. Otherwise for this society, as for the bestialism of Ancient Rome, the writing is indeed on the wall.

Make 1985 the year of development for the starving continent of Africa

by Christopher White

As the year ends, over 30 African nations, almost 450 million people, stand on the edge of catastrophe, hideous victims of the starvation policies of the International Monetary Fund. Will Africa be permitted to survive? This burning question must be answered in the affirmative in the early weeks of 1985, or Africa's peoples will be charting a course that we are all dooming ourselves to follow.

Africa needs food, and its needs must be provided. Twenty million tons of grains, 3 million tons of dried beans, and 2 millions tons of powdered milk could provide all the requirements needed to keep Africa alive. Compared to present world production of these items, these amounts are paltry. There is no problem to provide what is required out of present world production of foodstuffs, and if shipping and logistical support are made available, it can be done.

But Africa needs development. It needs modern technology to feed itself.

As we entered 1984, the largest civil-engineering project in the world was slowly moving ahead in southern Sudan. The world's largest excavating machine was slowly chewing through the swamps, heading toward the completion of the 276-mile long Jonglei Canal. As the year ends, the construction project is at a standstill. More than two-thirds completed, the project initially scheduled for completion in 1984, then expected to be finished in early 1985, is idled. There are no prospects in sight to revive the onward march of the giant excavator.

This project has been on the drawing boards for over 100 years. In the modern period, it has been the dream of Egyptian and Sudanese planners since 1947, and especially since those countries achieved independence from the British in 1956. In 1978, work on what is by now estimated to be a \$200 million project was finally begun.

This canal was designed to be one of four, which would channel the waters of the Nile coming into the Sudan from the east African rift, through the marshy swamps of the southern part of the country. The flow of water into the Nile system would be increased. Land reclaimed from the swamps would be directly brought into cultivation. The increased water flow through the Nile system would increase the number of irrigated hectares of land in northern Sudan, and of course in Egypt.

But more significantly, the project would open up the interior of Africa for development. Here is a large-scale project that for the first time was not designed to extract raw materials, or precious metals and diamonds, and ship them out of the continent, but would instead permit the internal improvement of the interior of the continent itself.

The canal construction was to be accompanied by the development of road transportation from the northern part of Sudan down to the south, and through Uganda into the port of Mombasa in Kenya. An international airport was to be built in the southern Sudanese city of Juba. The country's oil resources were to be opened up for exploitation.

A halt was put to this, too.

The canal would also open up the interior of Africa to the West. Now there is no rail connection between the rail-head city of the Egyptian-Sudanese system in Nyali, and Ndjamena in Chad, the rail head for the west African railroad system based on Nigeria. If that approximately 1,200 mile gap were closed, then the expanded food production of the Sudan could, in the not distant future, be shipped west.

Perhaps it could also be said, that if the canal had been completed on time, in 1984, the hideous scenes now broadcast from the inferno that neighboring Ethiopia has become, could have been averted. Airlift relief operations that are not possible from advanced-sector nations could have been undertaken from Sudan.

Whether that were true or not, it is the case that those who shut down the Jonglei Canal operation in early 1984 are guilty of crimes against humanity. They acted to deprive the people of a whole continent of not only their capacity to live, but also their freedom to improve their condition. And that is what makes us human, in distinction from the lower beasts.

Qaddafi and the French connection

But who shut the canal down? Who were the criminals who acted to force Africa back into bestiality? The pretext was provided by a terrorist organization, the Sudanese People's Liberation Army. That organization launched attacks on the construction base, on members of the crew, until the work was stopped. Funded by Libya, the organization is reported to operate out of base areas inside Ethiopia, and is therefore to be considered a Soviet-backed opponent of both

President Gaafar Numayri of Sudan, and President Hosni Mubarak of Egypt.

In an interview in the Saudi daily *Al-Sharq al-Aswat* on Sept. 21, 1984, Numayri accused Libyan dictator Muammar Qaddafi of launching "a water war" against Egypt and Sudan. Qaddafi, the President reported, has a three-fold target list: first, the Jonglei Canal project; second, the Aswan High Dam in Egypt, (Mubarak has exposed Libyan plans to blow up the dam); and third, a project to pump out Nile ground-water into Libya. Numayri charged that the water war is part of an effort to overthrow the governments of both countries, along with unleashing starvation, and the death of the nations themselves.

But there was more. On Dec. 21, 1983, "a diplomat friendly to Sudan" had charged, in a letter to the Sudan News Agency, that the French government (the principal construction company for the canal project, Grand Travaux de Marseilles, is French) had "drawn up a plan" to delay the completion of the canal. The source pointed to the connection

Those who shut down the Jonglei Canal operation in early 1984 are guilty of crimes against humanity. They acted to deprive the people of a whole continent of not only their capacity to live, but also their freedom to improve their condition.

between the company and the Libyan-backed, Ethiopian-based terrorists operating against the project. He charged that the company executive had provided the terrorists with food and equipment, refused to let the project be guarded, and opposed government efforts to crush the terrorist group. The anonymous writer added: "I reaffirm that Libya is involved in this plot, and that the two countries are coordinating in this regard. This conspiracy is not the first of its kind. The world has witnessed it in Chad, and in some west African countries that enjoyed French protection, and were suddenly swept away as a result of such coordination."

The letter makes clear what is at stake in strife-torn Chad, surrendered in 1984 to the Libyans by French President François Mitterrand. Chad, large, underpopulated, one of the poorest countries in the world, lies smack between the three key nations of Africa—Egypt in the north, populous and oil-rich Nigeria on the western seaboard, and Algeria on the Mediterranean littoral. Whoever controls Chad, controls the fate of those three nations, and thereby controls the fate of the African continent as a whole. The Jonglei Canal is the key that opens up the back door of each of the cited countries for commerce and improvement. This has to pass through Chad. Qaddafi's Russian-backed, French-supported sabotage, and occupation of the northern part of Chad, keeps those

countries apart, and dooms Africa's potentials for internal development and improvement.

Then governments were overthrown in Upper Volta, insurrections launched against Nigeria, and coups organized in Mauritania, while Africa was left to starve.

But if this combination is not enough: The International Monetary Fund, the World Bank, and Sudan's creditors (the country owes \$7 billion and now spends its export earnings on debt service) argue that the canal project is "too costly" and should not be completed. Ulrich Kufner, one-time Sudan agricultural officer at the World Bank, says, "The Jonglei proposal was not argued on economic grounds, because on economic grounds there is no good justification for Sudan to do it." James Holtaway, former deputy director of the U.S. Agency for International Development mission to the Jonglei area, concurs: "Too ambitious, too costly."

And of course the international environmentalist movement also opposed the project; it endangered the lifestyle of the Nuer and Dinka tribes, and perhaps also of the anthropology students who study the books of Evans-Pritchard. It endangered the existence of the fauna and flora in one of the most inhospitable areas of the world that is home to over 40 types of malaria-carrying mosquito.

The elements involved in the conspiracy to close down the canal are those who have also determined that Africa should be left to die. They do so for different reasons. In the West, there are the ideologues who follow the program of British racist Julian Huxley, who wanted Africa to be freed of people so that the animals might live undisturbed. His policies are continued by Prince Philip and the World Wildlife Fund and affiliated organizations. In the East, the military planners of the Kremlin have determined that Western culture, based on the idea of the freedom of the individual to contribute to the development of society as a whole, is to be eliminated, and wish to deny the West territory and military-logistical capabilities. The end result of both policies is the same: Africa is dying.

Sudan, the largest country geographically on the African continent, is as large as the continental United States east of the Mississippi. But it is still only a small part of Africa; its population is about 20 million, out of the nearly 500 million souls who inhabit the continent. It could become the motor force for the development and improvement of Africa as a whole. It could become the food producer for the continent, while other development efforts, necessary for the future, are begun elsewhere.

This year the completion of the Jonglei project, and the beginning of the associated developmental programs, such as the construction of the railroad through Chad to combine with the west African system, must be the measures employed to save Africa.

We now look up to the stars to plan the next phase of mankind's conquest of space. Let's employ the same methods and the same approach to end the hideousness we still tolerate here on earth.

Farm bankruptcies, production cuts will mean food shortages in 1985

by Marcia Merry

The food "surplus" headlines you read about—Europe's "green mountain" of grain, the U.S. dairy "surplus," and the rest—represent outright lies. Seeing them this year, right next to the pictures of mass starvation in Africa, makes clear enough what a deadly hoax the "surplus" stories are. More food is needed.

However, in the name of "reducing surpluses" and cutting the budget, the farm policies pursued by the U.S. government over the past year will result in drastic food output reductions in 1985. The entire U.S. agriculture system of independent family farms is in the process of being dismantled, under a crushing burden of debt and the collapse of prices and incomes.

A similar process is under way in Western Europe, and in the once productive regions of Mexico and elsewhere. In the New Year, food prices will climb and selected scarcities will set in, even in the so-called advanced economies. Without emergency food production in many parts of the world—for which orders need to be given in the next three months—starvation will proceed in Africa and spread elsewhere.

In terms of the U.S. national food supply, what has happened over 1984 is the draw down of national grain stocks, livestock inventory, and dairy supply, according to the deliberate food-reduction policies of the federal government under the influence of Cargill, Inc., and the other food-cartel companies. At the same time, a record amount of U.S. grain was shipped to the Soviet Union—25 million tons in little over one trade year. The Soviets are set to import a record 50 million tons this year, about 25% of all grain traded annually worldwide.

Given this picture, the loss of the American-system family farm on the scale now under way spells disaster. In the course of this collapse, control of farm inputs (fertilizer, seeds, feeds) and food processing and distribution has become so concentrated in the hands of food cartels coordinating with the Soviet Union (Cargill, Armand Hammer, Nestles, André/Garnac, and the rest), that there is a clear and present threat to the national security of all nations in the West.

Grain draw down

According to the December reports of the U.S. Department of Agriculture, total world grain production in 1984

was 1.6 billion metric tons. This represents a decline in output from a peak of about 18 bushels a year per capita in 1982 to under 15 at present. For a decent diet, a person needs the equivalent of 24 bushels of grain annually, indirectly as animal feed for meat and milk as well as cereals and crops for direct consumption. For example, the corn harvest in the United States, which has accounted for about 50% of world feed-corn output over recent years, is estimated this year at 7.527 billion bushels—a level lower than three of the past five crop years. Recent levels of annual corn utilization have been about 7.2 billion bushels a year. After the disastrous 1983 grain harvest, in which U.S. corn output fell by half because of the Payment-In-Kind (PIK) acreage-reduction program and the 50-year record drought, by June, 1984 corn stocks were at a 17-year low relative to usage.

The spring 1985 planting is not a guaranteed event. Farmers do not have the money to buy seed, fuel, and fertilizer and to maintain their equipment. The winter wheat planting, now completed, has gone into the ground without fertilizer in many regions, for example, Ohio. Even in the wheat center of the world, Sumner County, Kansas, less wheat has been planted because of the number of farmers who have gone bankrupt. Some farmers who put seed into the ground have already been forced out of business. The banks will arrange the harvesting.

Corn prices are now \$2.50 a bushel—delivery Milwaukee. A farmer absolutely needs \$3.50 if he is to have the money to plant in 1985.

Driving through Indiana, Illinois, and Wisconsin at this time of year, one would normally see bins overflowing, and corn in temporary storage. Instead, they are half full. An extreme example is the Farmers Union Coop (CENEX) in Cottage Grove, Wisconsin, where there should be 3 million bushels of corn. There are 300,000 bushels there now. Farmers just did not raise the crops. They had to buy second-rate seed. They couldn't afford to fertilize. That was last year. Now, for many, there is no money to plant at all.

Livestock inventory shrinks

For U.S. cattlemen and dairymen, the short grain supplies and high prices have spelled disaster. The number of cow-calf operators in the four major production regions fell by 20% from 1975 to 1980, and now they are going under

across the country. In certain secondary but important beef producing regions, for example, the Nevada-California border rangeland, whole herds are being sold off; families are liquidating ranches that took generations to develop. The hog and pig inventory in the 10 top states was down by 7% as of Sept. 1. The breeding inventory was down by 5%. The national beef cattle herd is decreasing. There are half-hearted predictions that "the cycle will turn up," but the potential is being destroyed. Breeding animals are going to slaughter, and ranchers are going out of business.

The impact of this process in 1984 was cushioned for the consumer by the apparent plenitude of meat from the liquidation, beef imports from Mexico and Canada, and by the massive slaughtering of dairy cows. Pork imports hit a record level of 549 million pounds during January-July 1984—up 31% from 1983, with huge shipments from Canada and Denmark, where foreign exchange is required to meet enormous debt payments. Pork imports this year may total 900 million pounds. The cushion of imports and domestic herd liquidation will not last indefinitely, and some time in the New Year or early 1986 the American public will begin to see sudden shortages and price rises.

Dairy supply to fall

World dairy output also fell in 1984. Milk production in the United States, which together with the European Community accounts for 40% of world output, fell by an estimated 5%. The EC quota reduction plan has cut milk output in 1984 by about 2.3% overall.

The European milk reduction resulted from the implementation of the Common Agriculture Policy (CAP) "quota" system last April which mandated 2% supply reductions from each farm to their processor. Penalties exist for non-compliance. Farmers have reduced yields by feeding less concentrate and sending up to 1 million dairy cows to slaughter during April 1984 to March 1985.

The U.S. milk reduction program is twofold. In the fall of 1983, a production tax of 50¢ per hundred pounds of milk monthly was imposed on all dairy farmers. Then, in January 1984, a 15-month program was initiated in which dairy farmers were solicited to contract with the government to receive \$10 for every hundred pounds of milk a month they did not produce, ranging from a set 10% to 30% of their recent average output. Under this program, a dairy farmer could not sell his herd or individual cows to another farmer or company who would then milk them. The animals had to be slaughtered. In the first six months of 1984, an additional 370,000 dairy cows were culled over normal herd-management rates.

When the program ends March 31, farmers will put whole herds on the market in hopes of making something by selling out. A large Missouri auction company is so booked in advance by dairy farmers that the company is taking no bookings of any kind for after April 1. In addition, April 1 is the date for the government to continue or lift the 50¢ production

tax, at the discretion of the USDA.

In the United States, raw milk output fell 25% in one year in Georgia, and 20% or more in many other southern states—Florida, Tennessee, Kentucky, and others. Milk is going from Wisconsin to the southeastern states over 1,000-mile hauls, adding to the cost. Dairy processors in Atlanta have repeatedly warned that rationing will be necessary.

Dairy farmers are receiving at least \$5 a hundred pounds less than their production costs, and have taken on loans to continue. For example, in Pennsylvania—one of the top five dairy states, many farmers get no monthly milk payment at all. It goes directly to the bank. The farmer receives nothing for food, clothes, or fuel. The lender permits the electricity to remain on only because it powers the bulk coolers required to ship the milk. Families are subsisting for weeks on last summer's home canned beans and fruit, and hand outs from farm neighbors. Farm families shun food stamps because the state can come in and sell off their home and belongings in dollar for dollar compensation for whatever food stamps the family used. No matter what some dairy families do, the Production Credit Association and other lenders are foreclosing on herds.

Farm bankruptcies

Farm bankruptcies are at crisis rates. In Ohio, for example, one bankruptcy judge reports that seven years ago there was one bankruptcy filing a month; in 1983, there were seven filings a week; and at the end of 1984, there were five a day.

Nationally, the Farmers Home Mortgage Administration, the federal lender-of-last-resort, is extending "relief" loans only to those who don't need them. The policy of the Federal Reserve and Office of Management and Budget in 1984 was to withdraw credit from the farm sector. Up through the 1983 period of PIK transfer money, there was some credit extension to prop up the \$217 billion in national farm debt. However, now the debt is collapsing, taking whole sections of farm infrastructure with it.

There were 69 bank failures in the United States this year, more than at any time since the Depression, and the largest number of them were in farm states. Banking observers estimate that 20% to 25% of the 800 banks in serious trouble are agriculture banks suffering heavy losses on farm loans. As many as 7% of the banks' farm customers are in danger of defaulting and losing their land in foreclosure. In Iowa, John Deere, the nation's largest farm implements manufacturer, has laid off 5,800 workers. The conglomerate Tenneco has bought International Harvester, and plans to reduce farm-implement operations drastically.

In Canada, where the same collapse process is bearing down, the legislature of Saskatchewan is expected to pass a 13-month measure to prevent any foreclosures on farmland or buildings. The bill is a rear-guard emergency measure—without follow-up plans for low-interest production credits or longer-term solutions to stave off the disaster of the century.

The year in medicine: breakthroughs in science, but breakdown in policy

by John Grauerholz, M.D.

The end of 1984 presents the spectacle of a world on the edge of a totally unnecessary biological holocaust. At a time when millions are dying of starvation and pestilence in the developing sector and the health infrastructure of the advanced sector is collapsing at an accelerating rate, a revolution in the technology of diagnosis, treatment, and prevention of disease is occurring.

AIDS (Acquired Immune Deficiency Syndrome) is exemplary of this situation. A product of the cultural degradation of civilization, affecting primarily promiscuous male homosexuals and intravenous drug abusers, it has triggered fundamental advances in our understanding of the immune system. AIDS research, combined with other breakthroughs and breakdowns, has made 1984 the year of the immune system.

In April, scientists from the United States and France announced the isolation of a virus which selectively destroys T-cells, one of the two primary types of immune cells, as the causative organism of AIDS. Since then, a technique for growing the virus in quantity has been developed, and a blood test for exposure to the virus is now being used for screening tests on patients and donated blood. Ultimately this should lead to production of an effective vaccine.

In the meantime, over 7,000 cases of AIDS have been diagnosed in the United States, and nearly half of these have died from the disease. Present estimates are that as many as 300,000 people have been exposed to the virus in the United States and that 10% of them will come down with the disease. As striking as these figures are, the incidence of AIDS may be 10 to 20 times higher in Zaire and other areas of sub-Saharan Africa. Here the disease is apparently being spread by heterosexual contact and poor sanitation in a population whose immune systems are depressed by malnutrition and chronic infectious disease.

The search for a cure for AIDS has given additional impetus to the study of substances known as biological response modifiers, especially those produced by the white blood cells and called lymphokines. One of the most promising of these is a substance known as interleukin-2, or human T-cell growth factor.

Interleukin-2 is a critical factor for growth of T-cells and augmentation of T-cell function. It is especially effective in stimulating production of specific cytotoxic (cell-destroying) T-lymphocytes and other cells, known as natural killer (NK) cells. A number of studies in animals has shown protection against tumor growth and regression or control of established tumors. Interleukin-2 has the potential to reverse deficits in T-cell function caused both by cancer itself and as a side effect of chemotherapy.

Because of this, there has been intense interest in producing large quantities of this substance for use in clinical trials. Since IL-2 (Interleukin-2) is a polypeptide (a chain of amino acids), one approach has been to produce it by genetic engineering. While this has produced pharmacologic amounts of the amino acid chain, it does not add certain sugars which are also present in the naturally occurring molecule.

A more promising approach has recently been developed by a company with the appropriate name of Interleukin-2, Inc. It has developed and patented a process for producing human interleukin, with the appropriate sugars, from normal human blood cells. This product, actually a "cocktail" of a number of human lymphokines, was recently tested in Phase I trials on cancer patients at St. Thomas hospital in London and has proven non-toxic and clinically effective in reducing the size of tumors. Phase II trials are under way to evaluate therapeutic response in patients with cancer and AIDS.

One of the earliest, and still one of the most effective, methods of immune therapy is vaccination, a term derived from the virus Vaccinia. This virus, which causes cowpox, was used by William Jenner to inoculate against smallpox and has been responsible for the total eradication of this once dreaded disease. Scientists at the New York State Health Department have developed a technique for genetically altering this virus to express up to eight different antigens, thus enabling vaccination against eight different diseases with a single injection.

Other breakthroughs in vaccine development include:

- Development of a vaccine for chicken pox, which infects 2-3 million children a year, resulting in 60 to 100 deaths in those affected.

- A vaccine against hemophilus influenzae, the greatest cause of childhood infections, including pneumonia and meningitis, has been proven effective in infants as young as 18 months of age. Innoculation of all eligible children could prevent 60% of these infections, which are potentially life threatening.

- A synthetic protein has been developed which can provide an inexpensive vaccine against hepatitis B. This disease affects about a million people in the United States and 250-300 million people worldwide, primarily in the developing sector, where it is believed to be the cause of hundreds of thousands of cases of primary liver cancer. In a related development, French and American scientists have developed a quick, inexpensive test for primary liver cancer, utilizing monoclonal antibodies-chemicals which attach to specific target chemicals in the body.

- A new polio vaccine, made from killed viruses, promises to eliminate the last traces of polio from the United States in the next two years. Scientists are also developing a polio vaccine which can be administered by inhalation and could be mass produced for about 10¢ a dose.

- One of the major breakthroughs has occurred in the long effort to develop a vaccine against the most serious form of malaria. Scientists have reproduced the genetic material which codes for a protein on the malaria parasite which stimulates the body to produce antibodies against the parasite. This genetic material can be inserted into bacteria, which will then produce the proteins in large quantities.

A needless health holocaust

Contrast the preceding to a recent World Health Organization report that every minute, 10 children under five years of age die and 10 more are handicapped for lack of vaccines against a few common childhood diseases. Almost all of these children live in the developing sector, where only 20% of children are fully immunized. Five million children die each year and five million are crippled for lack of vaccines that would cost about \$10.00 per child.

Similar situations are occurring in the United States itself, where the last few years have witnessed a sharply rising infant mortality rate in the inner city areas of such cities as Philadelphia, Boston, New York, and Detroit. This has been traced to lack of prenatal care, the result of closing clinics and dismantling health infrastructure in response to federal, state, and local budget cutbacks. Interestingly, the proposed alternatives of community health workers and low-technology primary care closely parallel World Health Organization proposals for low-technology "primary health care" in the developing sector.

The irony is compounded by the phenomenon of biotechnology as the "growth industry" of the 1980s. This has been the result of fundamental research on cell function and reproduction and the elucidation of the workings of the immune

system. This has led to the development of such techniques as the insertion of genes for the production of animal proteins into bacteria which then produce the proteins in large quantities, and the fusion of cancer cells and normal antibody-producing cells to make a "hybridoma" cell which then produces multiple copies of a single antibody, the so-called "monoclonal antibodies." These technologies, initially expensive to develop, hold the promise of ultimately producing relatively inexpensive treatments and cures for conditions ranging from cancer and infectious diseases to aging. The so-called "primary health care" approach is simply a shortsighted way to a biological catastrophe whose ultimate cost will make the Black Plague pale by comparison.

Significant breakthroughs are in sight in the prevention and treatment of diseases of aging. It has become evident that a great many of the diseases and disabilities that occur in aging individuals are correlated with a decrease in function of the immune system. This is especially true of the so-called T-cell, or thymus dependent immune system. Many changes of aging are directly traceable to a decrease in immune response to foreign organisms, including tumor cells, and an increase of autoantibodies against the body's own cells.

The key role of the thymus dependent system in these changes has spurred scientists such as Allan Goldstein of George Washington Medical School to examine the role of thymus hormones, such as thymosin, in preventing, or reversing, these aging changes. Studies in animals and in human cells in culture have repeatedly demonstrated reversal of age-associated changes in the immune system in response to administration of thymic hormones.

The first clinical trials of thymosin in the elderly will be conducted at the University of Vermont School of Medicine. This will test the ability of thymosin to boost the response to influenza vaccination. Influenza is still a major cause of death in the elderly, in spite of vaccination, because of the depression of immunity in these patients.

Thymosin, like interleukin-2, is a biological response modifier and shows promise in treatment of immune deficiency diseases, cancer, arthritis, multiple sclerosis, and allergies.

To close this article, I would like to quote from Dr. Allan Goldstein's testimony in the hearing on Longevity and the Lifestyle of Older Americans held before the Aging Subcommittee of the Labor and Human Resources Committee of the U.S. Senate on Sept. 27, 1984:

"Indeed, the decade of the '80s, I believe, is ushering in a new age which should properly be called the 'Age of Immunopharmacology.' Through the thymosins, monoclonal antibodies and other biological response modifiers, we are beginning to learn how to manipulate and harness the energy of the body's immune system in the same way that we have learned to harness the energy of the atom. Almost certainly, this information will translate itself into the conquest of many diseases which are thought today to be 'incurable.'"

The story of the Schiller Institute

by Helga Zepp-LaRouche, founder and chairman
of the Schiller Institute

Although the Schiller Institute was only established in May 1984, recent events have already demonstrated the urgent and historic necessity for such an institution. Until that time, the world did not possess a single institution which was working toward promoting republican principles of foreign policy in relations among nations. But during the short time from July 3-4 to the present, the Schiller Institute has held three full international conferences with over 4,000 participants from 60 countries, all of whom were swept up by an extraordinary quality of enthusiasm on an international level—an experience that has subsequently had most beneficial repercussions in many countries.

What were the circumstances of the birth of this Institute, which in such a short time has been able to develop such amazing effectiveness?

The evolution of this idea began with none other than Friedrich Schiller himself, whose works and ideals have always been the connecting thread throughout my life. It was, on the one hand, the conception of beautiful humanity as represented by the incomparable person of Schiller, speaking so grandly and clearly from all his works, and on the other, his ideas on the relationship between the state and the individual, on patriotism and world citizenship, which deeply influenced my own development and have thus become so closely intertwined with the prehistory of the Schiller Institute.

Decoupling Europe

What specifically triggered the idea to found the Institute in the summer of 1984 was the shocking realization that the tendencies within Western Europe inclining toward a “decoupling” with the United States, had progressed much further than I had previously ever thought possible. It became clear to me that the Soviet Union’s long-cherished intention of splitting the Federal Republic of Germany out of the Western Alliance, as its key tactic in securing hegemony over Western Europe, had gone into an operational phase. Not a

single one of the existing leading institutions seemed ready or willing to call this tendency by its real name, not to speak of acting on such knowledge. The so-called peace movement left us no doubt about its function as Moscow’s fifth column; the Social Democratic Party dramatically shifted its political character into an anti-Western, anti-industry party; and anti-American currents became unmistakably evident even within the governing parties. This observation prompted the insight that all of the so-called think tanks, on both sides of the Atlantic, were propounding various versions of the same decoupling policy—ranging from cautious formulations about “greater European independence” all the way to the public campaigns for a “third way” toward an “independent *Mittel-europa*” or for “nuclear-free zones.” And soon enough, Oskar Lafontaine was asking the typical and yet crucial question, whether it is really so hard to imagine the Federal Republic living under a system similar to that of the G.D.R. (East Germany).

How could it have come to pass that, despite the increasingly apparent aggressive nature of the Soviet Union, a not insignificant part of West Germany’s population could still believe that President Reagan, and not Moscow, was their real problem, and that the West no longer had any values worth defending?

The crisis in U.S.-West German relations

Confronted with this situation, I felt it was urgent to form a new institute for the renewal and improvement of external relations between the Federal Republic and the United States, an institution which would both investigate the causes for this disaffection, and at the same time establish this relationship on a new and positive basis. The subsequently released results of such studies show that one essential cause of these pacifist tendencies and the accompanying problem of West German “identity,” is to be located in mistaken policies of the Anglo-American occupation forces, whose personifica-

tion, John J. McCloy, represented by far the worst side of the American political spectrum. Such policies were in stark contrast to those pursued by such men as Douglas MacArthur in postwar Japan. Thus, in Germany, the politics of occupation not only made a mockery of the much-touted "New Beginning," but worse, Allen Dulles did everything in his power to shore up existing structures, in order that he might then declare them as "U.S. assets," ever at his disposal. Above all, this policy was aimed at preventing the new Federal Republic from feeling the slightest identification with the positive accomplishments of its own history, so that, while America's entry into World War II had indisputably brought the best moral tendencies to the fore within the American population, the subsequent postwar policies under Truman were unfortunately diametrically opposed to those original aims of the American Revolution.

I am deeply convinced that German-American relations are in such a state of profound crisis that no pragmatic solution or cosmetic tricks will be of any help. If the relationship of these two nations is to regain any world significance, then this will only occur on the basis of the best traditions within both nations—namely, the fundamental ideas of the American Revolution and the German Classics. Nothing less than this will do: men and women must once again pledge themselves to the ideals of that age, to the historically fortuitous coincidence of the American Revolution with the rise of the German Classics, and they must learn to draw upon these ideas for the intellectual energy and moral fortitude required to solve today's problems.

Even during the Schiller Institute's infancy it was already clear that not only the Federal Republic, but all of Western Europe was in the same predicament vis-à-vis the United States. Not only was the rising tide of decoupling sentiment threatening to dramatically shift its military and strategic potential in favor of the Soviet Union, but worse, it became increasingly clear that the cherished values of the entire 2,500 years of Western civilization were now at stake. And when the decouplers on both sides of the Atlantic began speaking of a "shift in values" which had ostensibly already taken place and had destroyed any objective basis for the Western Alliance, we could no longer idly sit by. If we were ever to lose our ideals of individual and political freedom—ideals which were the product of 2,500 years of European civilization and which reached a pinnacle of influence 200 years ago in the establishment of the young American republic and the Ideal of Humanity promoted by the Weimar Classics—then such a loss would plunge the world into a new period of unspeakable barbarism.

It was for this reason that the first two international conferences of the Schiller Institute—in July in Arlington, Virginia and in September in Wiesbaden, West Germany, each with over 1,000 participants—concentrated on the looming threat of Western Europe's decoupling from the United States, and on a definition of a new and positive basis for collaboration in the spheres of culture, economics, scientific work,

and defense. In the course of the detailed discussion of these problems at both conferences, the Schiller Institute not only earned the distinction of being the only foreign policy institute to have come out squarely on the side of maintaining the Western Alliance, but was just as unequivocal in its support for European-American cooperation toward the rapid realization of President Reagan's "Strategic Defense Initiative."



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The Schiller Institute's international significance was also highlighted in a backhanded way by Soviet Politburo member Vadim Zagladin, who felt compelled to personally author an attack against the Institute in the pages of *Literaturnaya Gazeta*.

In the meantime, members and supporters of the Schiller Institute in America and Western Europe have collected over one million signatures in favor of maintaining the Alliance on the basis defined by us, and have shown themselves determined to produce concrete proof that the movement in support of the Western Alliance will, in the long run, turn out to be far stronger than the so-called peace movement.

However, the problem of bad principles in foreign policy is not confined to relations between America and Western Europe, but plagues all the world's nations, and particularly relations between the nations of the northern and southern hemispheres. It is here that we are often confronted with the paradoxical situation, that many developing countries truly desire to remain America's partner and friend and to remain firmly allied and obedient to the Western Alliance, at pre-

cisely the moment when the foreign policy of the American State Department—particularly the United States' support of the brutal austerity policies of the International Monetary Fund (IMF)—is depriving these states of their very means of existence. Hence, here, too, the Schiller Institute has shouldered the task of “formulating concrete proposals for a fundamental change in foreign policy, and especially presenting grandly conceived development projects for Ibero-America, Asia, and Africa.”

In order to compel the Reagan administration to renounce its support for the IMF in favor of the industrialization of the developing sector, the Schiller Institute held its third international conference Nov. 24-25 in Crystal City, Virginia. To this end, I issued a call to individuals as well as governments, to present constructive criticisms concerning those aspects of American foreign policy that were endangering their governments or even their nations, along with recommendations as to the alternative policies they hoped to see from the United States. In this way we could prepare, for President Reagan's consideration, a full array of completely new foreign policy options vis-à-vis these nations.

More than 100 prominent individuals from over 50 nations responded to this call, and presented their working policy papers at the Crystal City conference, where over 1,500 delegates urgently called upon President Reagan to begin his second term by breaking with the policies of Henry Kissinger, the Eastern Establishment, and the IMF, and immediately return to the economic principles of the American Revolution, i.e., to the economic theories of Alexander Hamilton, Friedrich List, and the two Careys.

The atmosphere of excitement surrounding this conference, the interaction of people from so many nations with American representatives from every conceivable social background, but all focused on the realization of one single idea, was an unforgettable experience for all. Such an elevating event has probably not been seen in America since the Civil War and the presidency of Abraham Lincoln. Not only were there in-depth discussions about how American technology could be utilized to quickly halt the fearsome and catastrophic famine in Africa, and how we could build ports, streets, railway networks, irrigation and desalinization works, nuclear reactors and industrial plants. There was also a presentation of how, on the basis of Lyndon LaRouche's plan for the development of Ibero-America, entitled “Operation Juárez,” and his “Fifty-Year Program for the Development of the Pacific Basin” for Asia, the so-called developing sector could be liberated once and for all from the threat of destruction, so that these regions could be transformed into regions of burgeoning economic growth.

The inalienable rights of man

But the most important aspect of this conference was the birth of a new movement for the inalienable rights of man. The conference participants unanimously passed a new “Dec-

laration of the Inalienable Rights of Man”—a document whose wording differs only slightly from that of the American Declaration of Independence, and which takes up those rights which the Founding Fathers demanded for the young colonies, asserting them now for all nations of the globe.

Especially the American participants instantly recognized that the developing nations' demands for industrialization and sovereignty differed not one bit from the demands underlying the American Revolution. And the foreign guests, on their side, recognized equally well that it is not enough to merely criticize the negative aspects of American foreign policy, but that it is now more necessary than ever to focus the concerted and joint efforts of all international republican forces on a revival of the spirit of the American Revolution—but this time not only in America itself, but throughout the entire world.

It was in this spirit that, during the conference, a parade with over 3,000 marchers proceeded to the White House, where this assembly of former civil rights activists, farmers, ministers, and others in public positions urgently called upon President Reagan to guarantee the inalienable rights of all men by changing the foreign and economic policies of the United States. All shared the consciousness that this hour marked the birth of a new movement, completely in the tradition of the great civil rights movements of the 1950s and 1960s, but also going beyond this, since it was claiming the rights for all human beings. All firmly pledged to carry this movement into all countries of the world, and to make it grow and expand as long as will be necessary to ensure that these rights are actually procured.

The next step was taken on Dec. 15. In many cities in North America and Ibero-America and in Western Europe, the Declaration of the Inalienable Rights of Man was read in public places and was posted on thousands of churches and public buildings. On Jan. 15, Martin Luther King Day, a days-long march from many American cities will culminate in a march on Washington in which about 100,000 people will participate. And that is just the next step. . . .

But most important, what has become evident in the activities of the Schiller Institute and the new international movement for the inalienable rights of man, is a visible change occurring within the committed individuals themselves. Only to the extent that people, regardless of their position and occupation, address themselves to “humanity's great objectives” (as Schiller would say), and no longer concern themselves primarily with their own petty personal needs, but rather dedicate themselves to the welfare of their entire nation and the human species as a whole—to that extent they have begun to think in a truly human way.

If we fail in this humanistic transformation, then our human society will simply not survive. Especially over the past weeks and months it has become clear that Moscow's near-term intention with its Ogarkov Doctrine is to conquer world hegemony, even if this means risking a confrontation

leading to a third world war. Nevertheless, the underlying reason why the West has allowed things to reach this point of crisis, lies mainly in the current moral crisis in the West.

The most gentle thing which might be said about our own era, is that our society has fallen into such miserable depths of banality that the thoughtful person begins to imagine himself squashed flat onto a two-dimensional plane. Truly great thoughts are virtually non-existent, but this is not even perceived as a loss, due to the broad availability of cheap, degraded forms of amusement. And many of us are indeed degraded: just consider our so-called culture, with the brutality of its films, the giant size of the black market in videotapes flaunting perverse acts, the problem of child pornography, etc., and no one can doubt that we are in a dying civilization. A society dominated by the strength of one's elbows, careerism and conformity, status-seeking, pragmatism, sentimentalism, and irrationality on the one hand, but which is no longer capable of even a trace of human feeling for the children dying of hunger in Africa and all the other misery and suffering on this planet, is a society which has lost its moral fitness to survive.

The Schiller Institute has set out to alter this situation. Its call for a return to the ideals of the American Revolution, of the German Classical period and of those historical epochs in other countries which have reflected the same ideals, is therefore the Institute's central conception. Human reason is always capable of finding an answer to every problem confronting it; this is what distinguishes us from mere beasts. Yet within ourselves, we must never destroy that which renders us capable of reason.

That is why the great examples of the classical and renaissance periods in our past are so indispensable for us today. They show us how much more refined and differentiated were the thoughts and feelings of those great humanists, how much more they took for granted a respect for the inalienable rights of their fellow men. Yes, if humankind is to survive, then it will only be possible if human beings—concrete, real, individual men and women—take it upon themselves to put an end to their own degeneration and to change themselves in practice. Unless people today learn to make it their most important aim to perfect within themselves their own potential humanity—to develop a higher quality of human soul—then they have failed in the mission for which they have been placed upon this earth.

The Schiller Institute intends to draft many concepts for all areas of foreign policy. But its most important aim will always be for people to respect within themselves that which makes them human. Only in this way will they learn to love and respect that same humanity within others. And what holds true for our relations with our fellow man, is a thousand times truer for our relationship with other nations.

And that is also why the task of educating mankind to comprehend the poetic beauty of Schiller's works, is the world's most political issue.

Western Europe

Alliance hanging on, despite pressures

by Vivian Freyre Zoakos

From the standpoint of Western Europe, 1984 was characterized by a most dramatic combined Soviet and Western oligarchical attempt to break the alliance between the United States and Europe—as dramatic as it could have been short of an outright Soviet use of military force to conquer European territory. Given the enormity of the forces set into motion to bring about a decoupling of Europe and particularly West Germany from the United States, the fact that the Alliance survived the year appears almost startling in hindsight.

The most important defeat for the Soviets and their Western allies was their lack of success in “the German theater.” Not only did the stationing of the American Euromissiles in West Germany proceed as planned despite enormous pressures, but the government of Chancellor Helmut Kohl did a crucial about-turn on the more overriding question of the Strategic Defense Initiative (SDI). The same German government, which in the first half of 1984 vowed to lead a European campaign to defeat President Reagan's “Star Wars” program, was by the end of the year issuing categorical statements in its support.

Yet the fact that a Sovietized version of George Orwell's 1984 nightmare failed to surface on schedule does not mean that the battle has been won or Western Europe secured from Moscow's clutches. The brilliant achievements of this past year—and so they were, given the odds—have only bought time, hopefully sufficient time for those committed to rationality to succeed in tilting the momentum of events in their direction.

The governments of Great Britain and France closed out the year with announcements that they were for sale to Moscow and the New Yalta traitors in the West. Having been, at least for the present, stymied in the European heartland, Moscow is aggressively recruiting allies along the peripheries. Principally targeted have been Britain, France, and Italy. Greece, under the premiership of Andreas Papandreu, has, of course, already left NATO “in all but name,” as the Turks

have rightly claimed.

Thus it was not accidental that Moscow chose Britain as the podium from which to hurl its war ultimatum to Washington. In the course of a visit to Britain the third week of December, Soviet beam-weapons expert Yevgenii Velikhov warned the United States: Either halt the SDI program within three months, "or else."

The "or else," as Washington is fully aware, is the activation of the Ogarkov Plan for a conventional and nuclear strike against Western Europe and the American Eastern seaboard. In short: total war.

And if the United States but flinch, and at least the core of the European allies not remain firmly in the Western camp, Moscow will pick up the spoils and surely gain its ambition of becoming *the* hegemonic world power.

For those aware of what took place in front of and behind the scenes during this period, only two interrelated causes can be adduced for Moscow's relative failure in its Western European campaign, and particularly the all-important "German theater" of battle.

First, President Reagan and Defense Secretary Weinberger, as the leaders of the SDI project, stuck firm by their commitment. Throughout the year, repeated delegations have been sent from the United States to brief the Europeans on the SDI, variously headed by Weinberger, SDI director Lt. Gen. James Abrahamson, or the President's Science Adviser George Keyworth. President Reagan, on the occasion of the June celebrations of the Normandy invasion, issued a statement again reassuring Europe of America's categorical commitment to its defense. Weinberger gave numerous closed-door briefings, at the NATO Nuclear Planning Group meeting in April, and more recently at the December defense ministers' meeting, detailing for the Europeans the American program together with extensive intelligence on the Soviets' advanced work in the field.

These briefings were imperative for allaying the Europeans' fears, fanned by the Soviets and the lying anti-SDI press, that U.S. adoption of the program would lead to the abandonment of Europe by America. Just as decisively, Weinberger's briefings convinced the allies that the United States was irrevocably committed to the SDI. As German Defense Minister Manfred Wörner put it following the December Weinberger briefing: Since the Americans are going ahead with the SDI anyway, Europeans have to get in on the project now, or risk losing out on the technological and scientific benefits which the United States alone would otherwise reap from it.

The second crucial factor was the activities of Lyndon and Helga LaRouche, particularly through the founding of the Schiller Institute (see article, p. 34), which took the up-front international role in educating the elites and increasing the masses of American, European, and Third World citizens on the SDI's irreplaceable role in their future strategic

and economic security. It was the combination of the efforts of the *minority* in the Reagan administration committed to the SDI, together with the forces grouped around the Schiller Institute, which jointly succeeded this past year in seizing a marginal victory against what otherwise appears as an overwhelming array of forces.

Kissinger and the Soviet offensive

The year dawned with the first public announcement ever by a ranking U.S. administration official that the future of the United States lay not in Europe but in the Pacific. This statement, delivered in Washington on Jan. 31 by Undersecretary of State Lawrence Eagleburger—since seconded to head Kissinger Associates—created a furor in Europe which was fanned by Kissinger's personal restatement of the decoupling doctrine in a notorious March 5 article for *Time* magazine. Under the guise of strengthening the "European pillar" of the Atlantic Alliance, Kissinger called for a withdrawal of one-third of U.S. troops from Europe, to be replaced by additional European troops as part of a package of increased European defense spending. The true content of the proposal, a U.S. disengagement from the continent, was, of course, the signal that Europeans perceived.

In June, another asset of this clique, Georgia Democratic Sen. Sam Nunn, took the Kissinger plan and turned it into legislation. Only the strenuous efforts of the administration succeeded in defeating a bill which would have mandated the withdrawal of nearly 100,000 U.S. troops from Europe if the Europeans did not immediately increase their defense spending—a fact Nunn knew to be politically, as well as economically, nearly impossible to accomplish in the short run.

Had this bill passed, Europe would most certainly now be outside of the Atlantic Alliance, either *de facto* or *de jure* converted into a Soviet satrapy.

For their part, the Soviets conducted a combined military and propaganda campaign, coupled increasingly with spetsnaz-sabotage deployments, to force a terrorized Europe and especially Germany to capitulate to their demands *to break with the United States*. Let there be no doubt that this was indeed their demand. An unending and escalating series of giant Soviet and Warsaw Pact maneuvers was begun in January, counterposed to a lying propaganda campaign which accused West Germany of nurturing an alleged "Nazi revival."

By September, Yugoslavia and Austria were warning of the potential for a Soviet invasion of their countries. On July 23, in response to the Soviet June 28-July 5 Shield '84 maneuvers and other signals, West German Defense Minister Wörner warned that the Russians were making plans for a blitzkrieg invasion. The daily *Die Welt* three days earlier did the same.

The "pincer" movement from Moscow and U.S. State Department and think-tank circles was further backed up by the transformation of the German Social Democratic Party

(SPD) into a pro-Moscow appeasement mass force. At its May national congress, the second party in West Germany joined the Soviet-funded Greenies in adopting an anti-American platform, complete with attacks on the SDI and a call for creating a Central European nuclear free zone. The new platform also called for "an international treaty to ban anti-satellite and antiballistic-missile systems from outer space." The SPD-Green Party alliance became consolidated in three German states, preparing a model for a national coalition to replace the increasingly weak government of Chancellor Kohl. Writing in *Der Spiegel* magazine March 26, SPD General-Manager Peter Glotz said the U.S. nuclear umbrella "no longer exists." Therefore, Germany should pursue "common security with the U.S.S.R."

The relative victories

The above indicates only a small portion of the pressures which led Chancellor Kohl temporarily last summer to become a spokesman for the anti-SDI, anti-American faction. Repeated assurances from President Reagan personally, Weinberger, and a few others already cited, together with the educational work of the Schiller Institute, were what created the small margin of rationality that began prying loose German political leaders from a seemingly inescapable flight into Moscow's arms. Christian Social Union head and prime minister of the state of Bavaria, Franz-Josef Strauss, in November was the first to publicly suggest German participation in the SDI. In early December, he was echoed by Defense Minister Wörner. For the moment, the German government remains a relatively solid member of the Alliance.

Alongside this victory, 1984 saw other successes for the pro-American forces in the vulnerable northern flank. In Denmark, the Radical Party and the Social Democratic opposition were unsuccessful—but just barely—in blocking agreement to deploy American Euromissiles. The importance of this defeat can be seen by the fact that the full scope of the Radicals' demands, made to the minority government coalition, was that Denmark leave NATO outright.

In Sweden, the Schiller Institute and LaRouche forces succeeded in sparking a furious debate, for the first time in postwar history, over the issue of the country's official policy of military neutrality. Notwithstanding the attempt by Swedish Prime Minister and Soviet agent Olof Palme to use the cover of Swedish neutrality to "Finlandize" the country, a serious public discussion of the need for Swedish entry into NATO erupted domestically this past August. Exemplary of the shift was the booklet entitled *Outdated Neutrality Policy?* published in the fall by Sweden's psychological defense establishment. Although this production of the Palme circles predictably argued in favor of neutrality, it was nonetheless forced to respond to critics by admitting 1) the danger of a Soviet surprise strike on Sweden, and 2) the fact that "strict neutrality is no guarantee against attack."

Finally, the Spanish government of Prime Minister Felipe González is managing to hang on to its NATO commitment . . . if only by its teeth. González's success in forcing the British to agree to negotiate the emotional issue of returning Gibraltar to Spain—almost certainly achieved with a little help from Uncle Sam—gave him the maneuvering room in his party congress in December to force through the NATO membership issue.

The dangerous setbacks

French President François Mitterrand, the man whom Alexander Haig advertised as the staunchest ally of the United States in Europe, became the most abject imitator of the national sell-out politics of Vichy. For the present, he is playing Marshal Pétain to Moscow's Hitler. Mitterrand is opening the southern flank of NATO to the Soviets through a series of deals with the Soviet-owned dictator of Libya, Qaddafi, mediated at least in part by that other renowned second-generation Soviet asset, Prime Minister Papandreou of Greece.

Starting in the latter part of 1984, Mitterrand also began the practice of meeting on an almost weekly basis with either Henry Kissinger or his crony, State Department roving envoy Vernon Walters. Correspondingly, he has made a 180° turn, from establishing joint working links with the United States on the beam-defense research project, as was the case earlier in the year, to expressing full commitment to stop the crucial program and calling for the "demilitarization of space."

In November, Mitterrand met with Papandreou and Qaddafi on the island of Crete. The deal negotiated included French abandonment of Africa to Qaddafi. Two weeks later, at a meeting with the French-speaking African states, Mitterrand reversed French policy by saying that France has no commitment *or responsibility* for defending Chad against foreign military encroachments. In the case of Latin America, his government encourages and finances the radical tendencies of the Nicaraguan Sandinistas, threatening to provoke an American intervention in the region.

To cap the turn, in December French foreign policy was put into the hands of a new foreign minister, Roland Dumas. Historically a controller of the international terrorist networks which Moscow has co-deployed against the West, Dumas has since the 1950s had a career as a defender of terrorist criminals, including providing the legal defense for the commander of the 1972 Munich Olympics massacre, Abu Daud. Dumas has particularly friendly relations with Qaddafi.

In Britain, the so-called "Churchillian reflex" faction that had been squashed with the autumn 1983 cabinet reshuffle continued to rear its head this year as Soviet intentions became more inescapably clear. This is the faction that mistrusts the Soviet offer of negotiating a recarving of the world into new spheres of influence ("New Yalta"). Articles have appeared in the elite London *Times* in November and December endorsing the SDI, and such military leaders as Sir Nigel

Bagnall, commanding general of the British Army on the Rhine, have warned of Soviet plans for a surprise attack on Germany.

For the moment, however, the government of Prime Minister Margaret Thatcher remains under the control of the faction best identified with NATO Secretary-General Lord Peter Carrington, who took office in June. This is the grouping responsible for the disgustingly warm reception given to the Soviet delegation to London this December, even as the visit was used to issue ultimatums and threats of war to the United States. Thatcher went so far as to willingly undertake the role of coming to the United States to relay the Soviet threats herself.

A word must be said in conclusion about the dangerous if still undecided situation of Italy. With Greece effectively gone over to the Warsaw Pact, Italy remains, with Turkey, NATO's indispensable strategic asset in the Mediterranean, the guardian of the southern flank.

The government of Premier Bettino Craxi is currently besieged by the combined forces of the Italian Communist Party (PCI) and the enormously powerful Italian, particularly Venetian, "black" oligarchy. The PCI has formed an open alliance with the leading representative of the Venetian oligarchs, Finance Minister Bruno Visentini, the purpose of which is to use the country's rapid economic collapse to destroy what remains of Italian constituency politics. As Communist trade union leader Luciano Lama told the Dec. 16 issue of *l'Espresso* magazine, the PCI has become a "reformist" party allied to the Republican (Visentini's) Party. The Craxi government must be replaced with a "technocratic" regime of financial experts.

This is the so-called Visentini plan which, with PCI backing, would put Italy under "receivership" much like any bankrupt corporation. The country would cease to exist as even a semblance of a nation. Constituency politics thus destroyed, Italy would be the personally-managed fiefdom of the oligarchical elite, which is quite willing to ally itself to a Soviet regime that has more in common with it ideologically than a republic-based West. Symbolic of the rapid convergence of "left" and "right" anti-Western forces in Italian society is the fact that the Communist Mayor of Rome, Ugo Vetere, sent a telegram of greetings to the party congress of the MSI, Italy's notorious neo-fascist party, which is making a bid for mass support, particularly from the social layers Visentini's "tax reforms" have immediately targeted.

The Communists and the spokesmen of the oligarchy, such as Visentini or Foreign Minister Giulio Andreotti, are attempting to provoke a collapse of the present government. It was Andreotti who had the ignominy, on April 23, of being the first Western government leader to visit Moscow in order to sign a joint document with the Soviets denouncing the SDI. "The two sides," the document read, "agree on the necessity . . . of the prevention of an arms race in outer space."

Russia goes back to

by Criton Zoakos

Whereas 1983 was the year in which the leading policy-making bodies of the Russian state shed their last pretensions of "Soviet," i.e., communist-ideological, rationales for policy, and surfaced fully as the executive instruments of the idea of "Moscow, the Third and Final Rome," during the year which followed, 1984, the leading elite of the Russian state was observed undergoing a dramatic change in the style in which it conducts its business of empire building. Moscow's "new style" is consciously akin to that of the old Court of Catherine the Great with strong echoes of Nesselrode, Shuvarov, and Gorchakov—figures associated with the previous periods of territorial expansion of the Russian Empire.

A student of history, in reviewing the dramatic changes of Russian society during 1984, would be struck by the similarity of "instruments of foreign policy" employed by the Russia of today and that of Catherine, and the late-19th century Romanovs: ethnic conflicts, supranational ideological movements, "national liberation movements," religious fanaticism, financial warfare, economic and resource warfare, promotion to power of foreign political pawns, dependents and petty controlled satraps and, lastly, raw military power.

Were one to compare Ogarkov's 1984 with Shuvarov's 1875, or Alexei Orlov's 1774, one would be struck by one alarming difference: the sheer, awesome military might backing up Russian imperial objectives. The imperial ambition, having been planted by Philotheos of Pskov during the 15th century had remained alive but dormant during the 16th century; during the 17th century, the settlement of certain Venetian families in Russia helped form a sophisticated imperial policy-making center which viewed itself as the rival of Peter the Great's nation building designs. After Peter the Great's death, this Venetian-shaped imperial tradition of the Third Rome came fully in control in the court of Catherine the Great and her heirs. It was during this era of the 18th century that the great imperial design began moving. It was also the period of the Russian Empire's most breathtaking territorial expansion, and the period in which Russia's imperial intelligentsia learned the art of managing and manipulating the many nationalities and religions populating its empire—let us say the period in which Josef Stalin's "nationalities policy" was born.

The brief slowdown in expansion during the Napoleonic Wars was followed by the era of the Holy Alliance after the Congress of Vienna. During the 1850s, the then expanding British Empire checkmated Russian imperial expansion by

imperial diplomacy

means primarily of a) the Crimean War and b) the so-called "Great Game" in Southern Central Asia, the Persia-Afghanistan-Sind area. When the Russian strategists attempted to break out of the stalemate with the Russo-Turkish War of 1877-78, they bitterly discovered that they had been outclassed by their Western imperial rivals primarily because Russia had "missed the train" of the industrial revolution. The Third Rome could not field modern, industrial-based armies from 1876, the year of the Treaty of San Stefano, onward.

Russia's internal political and social convulsions from San Stefano onwards reflected the inner struggles within the Third Rome imperial policy-making circles around the effort to find a solution to the empire's main predicament, its economic and technological backwardness.

In the Congress of Berlin of 1878, after San Stefano, the Third Rome strategists were made to "eat crow" by Bismarck because Russia was an industrial and logistical failure. The events of 1917 and afterward began to address this problem and to gradually remedy its disastrous consequences on imperial military power. Through a succession of ruthless industrialization drives alternating with heavy foreign importation of capital goods, Russia succeeded by the late 1950s and early 1960s in eliminating the military shortcomings which normally flow out of an intrinsically shoddy civilian economy. During the 1970s, through a combination of arms-control diplomacy, strategic deception, and ever accelerating strategic and tactical military buildup, Russia succeeded in becoming the world's most formidable military power.

As portrayed elsewhere in this issue, during 1984, Marshal Nikolai Ogarkov, considered by many the most formidable strategic mind of the world still serving in uniform, executed inside the Soviet Union a sweeping reorganization of commands and reordering of national priorities which have made the formidable Russian military machine able to simultaneously fight a protracted general war on all fronts even after a retaliatory strike has wiped out its main administrative centers such as Moscow or Leningrad. The Ogarkov Plan was put into effect in 1984. Through appropriate channels, Moscow has allowed this crucial fact to become known to its strategic adversaries and rivals in the West.

Marshal Ogarkov in 1984 has brought the Russian Imperial command to a position it had been dreaming of attaining since 1878, the year in which it ate crow at Berlin: on top of a military force capable of simultaneously challenging all

possible combinations of adversaries globally!

It has been amazing to watch in the course of the year which just passed, how this single strategic development—and the appropriate dissemination of the news in foreign capitals—has dramatically reinvigorated every other, secondary foreign policy-making instrument employed globally by Russian policy makers.

The most striking such revived policy instrument during this year is the emergence of Western government leaders who are acting as virtual satraps of the Russian empire. In addition to the miserable titular heads of such governments as Afghanistan and the Eastern European states, persons such as Papandreou of Greece, Palme of Sweden, and Mitterrand of France are no more heads of sovereign governments than was the 1764 King of Poland, Stanislaus Poniatowski, whom Catherine the Great appointed King of Poland by making him sit, not on a throne, but on a toilet bowl from her palace apartments.

Similarly, the enforcement of the Ogarkov Plan has given Russia sufficient leverage to allow it to assume the role of a major player and manipulator in the world capital markets, as reported elsewhere in this issue.

Apart from the upsurge in worldwide Moscow-controlled terrorist activities, which properly are an integral part of the simply military aspects of the Ogarkov Plan, Russian diplomacy's utilization of the ethnic issue worldwide registered impressive, qualitative growth by leaps and bounds. Russian diplomacy, secret services, and various quasi-academic ethnological institutes have displayed impressive versatility in manipulating Inca Indians in Peru, Bedouin tribes in the Sahara, desert tribes in Black Africa, Baluchis on the Indian Ocean littoral, Sikh separatists and Pakistani oppositionists in the Indian subcontinent, Muslim and Christian insurgents in the Philippines, Breton, Corsican, Basque and other separatists in Western Europe, and so forth down the map.

Russia's ethnic game is much older than modern "national liberation movements," much older than the events of 1917, much older in fact than Karl Marx, the grandfather of "anti-imperialist struggle." It was the principal policy instrument of Russian territorial expansion into Asia beginning in the 17th century, Catherine's principal instrument against her Ottoman imperial rival, and Nicholas I's and his successors' principal instrument against the Austro-Hungarian Empire and the Ottoman Empire during the 19th century. The Russian imperial experience in this matter is both older and more extensive than that of the British Empire. In certain respects, it is also more effective. As of 1984, it is backed by something the British Empire of old never enjoyed as extensively: the Ogarkov Plan and what hangs on it. The potential of this Russian capability, just as the capability to turn sovereign heads of government into satraps, has not been fully played out yet. Much of this is bound to unfold in the coming year—unless outflanked by America's Strategic Defense Initiative.

Stormtroopers show their true colors

by Susan Welsh

Events of the last weeks of 1984 confirm with a vengeance what this news service, uniquely among the world's media, has insisted for five years now: West Germany's radical ecologist Greens are *fascists*. Their doctrines are a 1980s version of the program of the Gregor Strasser wing of Adolf Hitler's Nazi party; their controllers are to be found in the highest levels of the European oligarchy, the far-flung redoubts of the Nazi International, and in Moscow. They are not the gentle flower children which the *New York Times* and the London *Economist* depict them as; they are completely integrated with the terrorist underground, the assassins of the Red Army Fraction and the Revolutionary Cells.

- At the Greens' party congress in Hamburg on Dec. 8, the party leadership dropped its pretenses and openly embraced the Nazis. Rudolf Bahro, the keynote speaker, declared that "the Greens are rising to power in a way quite similar to the pattern of the Nazi party." Rainer Langhans announced, "All of us want total war against the system. In this respect, we can still learn something from our brother Hitler."

- On Dec. 17, the Israeli government denied a visa to a Green party delegation, citing the terrorist role of Brigitte Heinrich, a Green deputy in the European Parliament. She was jailed in 1980 for a 21-month sentence for supplying weapons to the Red Army Fraction (RAF, or Baader-Mein-hof Gang).

- On the same day, the Israeli ambassador to Bonn, Yitzhak Ben Ari, accused the Greens of reverting to a primitive form of anti-Semitism in a "working paper" on Middle East policy. "We live in the illusion that racism and anti-Semitism in this country are of no significance," he said. "The so-called strategy paper of the Greens teaches us otherwise."

How could *EIR* call the shots on the Greens as long ago as 1979, when the party was first founded, and before its Nazi colors were openly unfurled as they are today? We took one look at their seething hatred of industrial progress, their irrationalist cult ideology—the smell was unmistakable. We traced their origins, their political mentors, and their financial angels—the case was clinched. We backed the call of Helga

Zepp-LaRouche and the European Labor Party for the banning of the Greens as unconstitutional, under the provision of West Germany's Basic Law which forbids the revival of Nazism.

Explosive growth

The past year has seen three principal developments in respect to the Greens: 1) a rapid growth in their vote tallies to the double-digit range, as Weimar-like disillusion with traditional political institutions takes hold in the Federal Republic; 2) the emergence of informal "Red-Green" coalitions with the Social Democrats on the state and local level; and 3) the dropping of parliamentary niceties—under Soviet tutelage—in favor of stormtrooper-style disruption of the Bundestag (parliament) and open calls for "armed resistance."

These were the milestones in this process:

- **March 25:** State parliamentary elections in Baden-Württemberg, the Greens's stronghold. They increase their vote by an average of 2.5%, for a statewide total of 8%. The state is the center of the anthroposophy cult, a major source of financial backing for the Greens.

- **June 17:** Elections to the European Parliament. The Greens win 8.5% of the vote, replacing the Free Democratic Party (FDP) of German Foreign Minister Hans-Dietrich Genscher as the third-largest party in the country. The FDP suffers a crushing defeat, with 4.5% of the vote. Of the seven Green deputies elected, four have terrorist backgrounds.

- **Sept. 30:** Municipal elections in the state of North-Rhine Westphalia. Greens win an unprecedented 9% average, with up to 16% in some cities. A record low voter turnout signals voter dissatisfaction with the political system—36% of the electorate stays home on election day.

- **Oct. 18:** Green parliamentary group forces the shutdown of the Bundestag. Parliamentarian Jürgen Reents unleashes a string of profanities against Chancellor Helmut Kohl and his government; when he is ousted from the hall for disorderly conduct, the Green caucus disrupts the session and finally marches out. Parliamentarians from other parties protest. Christian Democrat Rudolf Seiters indicts the Greens: "The methods you are employing have already been used in the destruction of a democracy in earlier years—namely of the Weimar Republic!"

- **Nov. 20:** Greens in the state of Hesse pull out of their informal coalition with the Social Democratic minority government of Holger Börner. Two years ago, Börner was denouncing the Greens as "eco-fascists," but since then he has been groveling for their support and has acquiesced to their program of shutting down nuclear power and industry.

- **Nov. 20-23:** Green leaders meet in Bonn with a delegation from the U.S.S.R.'s Supreme Soviet, headed by Lev Tolkunov. Following these discussions, the Green leadership meets on its own to discuss "international solidarity," "revival of extra-parliamentary activities," and "the question of armed struggle."

The oligarchies of East and West declare war against nations of Asia

by Linda de Hoyos

On Oct. 31, 1984, after a total of 17 years as the Prime Minister of the world's largest democracy, Mrs. Indira Gandhi, leader of India and chairman of the Non-Aligned Movement, was assassinated in the early morning as she crossed her garden to meet an appointment. The murder of this leader, as Lyndon LaRouche stated upon hearing of her death, has brought the world closer to war than the murder of Archduke Ferdinand at Sarajevo. For India, as her son and successor, Mr. Rajiv Gandhi stated, her assassination was an attempt to "rip the country" to pieces.

But no matter what tactical or geopolitical considerations entered into the motivations of those in ultimate control of the two Sikhs who gunned her down Oct. 31, Indira Gandhi's assassination was a declaration of war by the oligarchical forces headquartered in London, Moscow, Switzerland, and New York against an idea. That idea is that concept of nationhood that Mrs. Gandhi stood for, the idea that each nation-state has the inalienable and sovereign right to set its own course toward its own self-improvement as the vehicle through which its people contribute to all humanity and to the generations of the future.

Until the last quarter of 1983, the countries of Asia had gained a margin of isolation and security against the economic and social mayhem that has been tearing at the countries of Ibero-America, Africa, and the Middle East. With the exception of the Philippines, the Asian economies have been able to maintain a growth rate despite the downturn in world trade and production. In August 1983, destabilization hit the continent, beginning with the violent unrest directed against Pakistan's martial law administrator Zia ul-Haq, followed in rapid succession by the murder of Philippines opposition leader Benigno Aquino, which produced a bankers' credit cut-off to the Filipino economy; the Soviet downing of the KAL-007 airliner signaling Moscow's intentions on the region; and the Rangoon bombing-murder of most of the South Korean cabinet.

The escalating destabilization of the region has now led to the assassination of its most prestigious leader. Nearly without exception, every country in Asia is endangered with one or more of the following threats: growing separatist insurgencies funded and directed from outside the country; left-

wing opposition insurgencies sponsored by Moscow; or, as especially in North Asia, Soviet military pressure and the threat of outright attack. For Pakistan, India, the Philippines, potentially Thailand and Indonesia, and soon for South Korea, nations do not face mere government crises, but crises of the very institutions of government.

The forces operating to effect this destabilization of the countries of Asia are those already identified by the *Executive Intelligence Review* as being co-responsible for the murder of Mrs. Gandhi: British intelligence through its many assets in the region and its control of such supranational bureaucracies as the International Monetary Fund and the World Bank; the Swiss-based Nazi International, which funds the Sikh separatist operation of the London-based Jagjit Singh Chauhara, for example, and through its shared control of Iran and Libya funds Islamic insurgencies from Pakistan through to Southeast Asia; and the Soviet Union, which operates through its own insurgent networks and agents of influence and which has built up Soviet military strength in the region now exceeding that of the United States and its allies.

These powers, with the People's Republic of China delegated a role as junior imperial partner, may not be coordinating their actions but they are of one mind in their goals: to break up the nation-states of Asia into impotent warring ethnic, tribal, and religious entities in order to impose a new order of economic exploitation.

Take the Sikh separatist movement in Punjab, India, as a case study of this operation. The Sikh separatist murder of Mrs. Gandhi was carried out on orders of British intelligence, approved publicly by the Soviet Union's second in command of the Communist Party Political Department, Rostislav Ulyanowski, and executed through British channels laundered through the United States with the help of the Heritage Foundation, the Anti-Defamation League, and multi-agent Jon Speller.

In the 1970s, the Punjab was chosen by the government for a massive input of tractors, fertilizers, and high-grade seeds. Today the Punjab produces 70% of India's rice and 50% of its wheat. India, with a population of 700 million, is self-sufficient in food thanks to the tremendous advances in agricultural productivity in the Punjab. In June, *EIR* con-

firmed that Chauhan is funded by the André Swiss grain cartel, whose motives are obvious. Furthermore, it has been determined that Chauhan's financial advisers are centered at the World Bank. One of them, Inderjit Singh, has written a paper, "Small Farmers and the Landless in South Asia," calling for a return to labor-intensive agriculture. The objective of the British controllers of the Khalistan movement is the *destruction of the Punjab breadbasket, causing Africa-conditions of famine in India.*

The oligarchy has declared war on the countries of Asia. To destroy these countries, however, one other condition must be achieved: the strategic withdrawal of the United States from the Pacific and Asia theater.

The hoax of the Pacific turn

In February of this year, Zbigniew Brzezinski declared that the basic orientation of U.S. policy is "dramatically shifting" toward the Pacific Basin. This goes hand in hand with carrying out the Kissinger policy of decoupling from Western Europe: "Increasingly," opined Brzezinski, "the American view is that Europe is beginning to stagnate and is becoming obsolescent, and this is having a negative, political, international effect, and the Europeans are becoming less confident, less dynamic."

Ironically, Brzezinski, now a leading member of Henry Kissinger's Georgetown Center for Strategic and International Studies, was speaking in Manila. For U.S. allies in the region, the Philippines exemplifies the U.S. continuation of the 1969 Kissinger declaration for the strategic withdrawal of the United States from Asia, the so-called Guam Doctrine.

Even though it is the site of the United States' most crucial bases in the Pacific, Clark Field and Subic Bay, the United States has stood by while the combined forces of the International Monetary Fund and the Soviet-backed opposition and New People's Army are working to turn the Philippines into a new Central America. While President Reagan, toward the end of the election campaign, declared his commitment to the Marcos government and the stability of the Philippines, his policy was directly countered the next day by the State Department. State Department officials freely admit that if Marcos attempts to carry out IMF austerity while carrying out economic reforms, his government will fall and the communist insurgency will take over. The State Department is now known to be pursuing options to remove the U.S. bases from the Philippines to Indonesia, Thailand, or the nearby island of Palau.

America's Southeast Asian allies also could not be reassured by the statements of Secretary of State George Shultz at the July meeting of the Association of South East Asian Nations (ASEAN). Within this year, official representatives of the U.S. government, including Ambassador Jeane Kirkpatrick, have announced that Thailand's security guarantor is no longer the United States, but China. The Southeast

Asian countries, concerned over the military collaboration between the United States and China and over harsh U.S. protectionist measures against their trade, demanded assurances from the Secretary of State. Shultz's reply was a classic in State Department no-speak: "The basis of U.S. relations in Southeast Asia are the ASEAN countries."

If the United States were to display the same degree of weakness and neglect in North Asia that it does in Southeast Asia, this area would likely already be at war. The Reagan administration has reversed the Carter administration policy of withdrawal of U.S. troops from South Korea and reaffirmed the U.S. nuclear umbrella over this country that functions as a front line for both the United States and Japan. The United States has succeeded in tightening its strategic alliances with both Seoul and Tokyo, and the visit of South Korean President Chun Doo Hwan to Japan in September, the first time a Korean head of state has visited Tokyo, has created a unity of outlook among these allies that is absolutely indispensable in the face of increasing Soviet military threats.

But in the South Pacific, the ANZUS treaty, between Australia, New Zealand, and the United States, has been placed in jeopardy by the new Socialist International government of David Lange in New Zealand and Australia's Bob Hawke, who have declared their intention to turn the Pacific into a "nuclear-free zone." This would mean that U.S. nuclear-carrying and nuclear-fueled ships would no longer be able to port in the South Pacific, at a point that the Soviet Pacific fleet has been built up to surpass the U.S. Seventh.

Meanwhile, Socialist International and Soviet assets have fanned out from Australia and New Zealand to rev up similar feelings in the islands of Micronesia and France's New Caledonia. On the island of Kwajalein, in the Marshall Islands, a drive has suddenly arisen to oust the U.S. base there. This base is the site of all U.S. anti-missile defense systems testing, the program the Soviet Union is determined to bring to a halt.

The superpower nutcracker

On the Indian subcontinent, the State Department and the Kremlin have acted in effective concert to put the region's countries into a "superpower nutcracker," as one Indian commentator called it in September. For months, the Soviet Union has been regularly issuing dire threats against Pakistan, punctuated with Soviet bombing attacks on Pakistani villages near the border. On the other side, according to a Pakistani defense journal, "a former National Security Adviser"—either Kissinger or Brzezinski—informed Zia that Pakistan has two options on Afghanistan. It can escalate the war being carried out by the Afghan rebels. Or, it can de-escalate, in which case Pakistan will likely face a cut-off of funds from both the United States and Saudi Arabia.

Between the State Department and Moscow, there has been a concerted effort to spark a war between Pakistan and

India. This year, tensions between these two countries have been rising over primarily two issues: Pakistan's newly developed capability to build the bomb, and some degree of support from Pakistan for the Sikh separatists of the Punjab. In August, TASS issued the news that the Soviet Union had conclusive proof that Pakistan was preparing a war against India. At the same time, reports started appearing in odd places like the Jerusalem Post that India was preparing a strike on Pakistan's nuclear facility at Kahuta, and in early October, the State Department released to the Pakistanis news



I want India to be a better place. When I say a better place, I mean not only materially, not only a better standard

of living. There's been so much advance in knowledge. . . . Now we must concentrate that knowledge on being better people, on making the world a much better place in every possible way. And if the rest of the world can't or won't, at least India should try her best."

—Prime Minister Indira Gandhi, October 1984

that two Indian squadrons of fighter planes were heading their way, according to U.S. satellite reports. It later turned out that the planes had merely disappeared under cloud cover. In the second week of October, U.S. ambassador to Pakistan, Deane Hinton, fresh from his previous posting in Central America, where he played a similar provocatory role, declared that Pakistan faces no real threat from the west—that is, Afghanistan—but from the east, that is, India.

Throughout the same period, leading up to the assassination of Mrs. Gandhi, the Soviets loudly decried Pakistani-U.S. imperialist designs against India and demanded that the Indian government cease its talk of the problems created by "two superpowers" and attack only one, the United States.

These superpower games epitomize a hideous policy that victimizes most Asian nations, only more intensely played in

the case of the subcontinent. The effect is to step-by-step decrease a nation's ability to act independently to determine and carry out its own interests, forcing it to defensively react to the conflicting pressures of superior military powers.

The commitment to lead the underdeveloped nations to seek their own destiny—in opposition to the *colonialist* outlook of the Anglo-American oligarchs of the West and the Soviet Union—was the foundation of the Non-Aligned Movement and the hallmark of the leadership of Mrs. Indira Gandhi.

The last year has demonstrated that to the extent the United States follows such neo-colonialist policies, whose ultimate source is the British Foreign Office or its arrayed think-tanks conducted by such personages as Henry Kissinger or Zbigniew Brzezinski, the Soviet Union emerges as the sole strategic gainer. Destroying the nations of Asia and the operation to force the strategic withdrawal of the United States from this region are one and the same. This is because the United States, despite the gross contamination of its conduct by the Kissinger faction in the State Department and elsewhere, remains objectively and in the minds of America's allies the protector of their freedom from Soviet rule and the model for economic progress.

If over the period of 1983-1984, the oligarchs of the West and the Soviet Union have combined to declare war on the allied nations of Asia, the events of the next year, even the next months, will determine whether they will succeed or not. This presents the United States with an urgent responsibility. To the extent that the second Reagan administration demands loyalty from its allies with mere phrases of commitment to their security, the United States and these countries—holding with them one-fourth of the world's population—will lose. The United States endorsement of the austerity policies of the International Monetary Fund, the evil manipulations of the State Department, and the thug-like protectionism of the Commerce Department must be brought to a halt.

The United States must have a three-part policy toward Asia: it must commit itself totally to the defense of the region in the face of the Soviets' escalating threats; it must commit itself to take all actions to protect the integrity of the nations of the region and to especially cool out the tensions on the subcontinent; and it must commit its resources to the great projects of economic development that will assure the region's industrialization. Any attempt to circumvent this challenge with an alternative policy toward China will, as Henry Kissinger has proved, result in dismal failure. An American System U.S. policy toward U.S. allies in Asia is in fact the precondition toward positive relations with a rapidly changing People's Republic.

On Jan. 2, 1985, President Reagan will meet with Japanese Prime Minister Yasuhiro Nakasone, a ready partner in bringing the American System back into Asia.

The year of derivative assassinations

by Paul Goldstein

During the closing months of 1984, a “phase-change” occurred in the international pattern of assassinations and deployment of terrorist capabilities. The clearest expression of this was the Oct. 31 assassination of Indian Prime Minister Indira Gandhi, which involved a multi-faceted deployment of Sikh fundamentalists by the top-level political faction known as the “New Yalta” oligarchy. This faction includes forces operating on behalf of Moscow, Anglo-Swiss oligarchic families, and their Eastern Establishment allies in the United States. They propose to divide the world into new imperial spheres of influence, destroying the institution of the nation-state, and unleashing a nightmarish bloodbath through terrorism and assassinations of heads of state.

The new situation is characterized by the extraordinary intensity of the current terror wave, and the direct, short-term purpose of the terrorist acts themselves. In the case of the Gandhi assassination, British intelligence networks were employed, in an amicable working arrangement with Moscow, to kill the greatest statesman in the Third World, to blame her death on the United States, and then to destroy the world’s biggest democracy, turning India into a new Iran. Mrs. Gandhi’s death stalled a quietly ongoing U.S.-Indian effort to cool out the Middle East crisis and the Indian-Pakistan border conflict. Scarcely a month after her tragic assassination, the gas leak at a Union Carbide pesticide plant in Bhopal, India triggered anti-American demonstrations and served to increase the pressure on India’s new prime minister, Rajiv Gandhi, to break off cooperation with the United States.

All this takes place in the context of the deepening world strategic crisis and the “Ogarkov Doctrine” for thermonuclear war-fighting, newly adopted by the Warsaw Pact leadership. The current terrorist explosion can be compared to the *Schrecklichkeit* (intimidation) policy of the Nazis; it is a *prewar* military deployment, aimed to terrorize the potential enemy into—in this case—accepting the terms of the New Yalta arrangement or, if that fails, gaining outright *military* advantage.

The primary institutional vehicle through which the East-West New Yalta faction controls terrorism is the intersection of certain networks within the secret intelligence services of the West, including Israel, with those of the Russian KGB. Through the development in the postwar period of “supranational” or “transnational” interests, as exemplified by Occidental Petroleum’s Armand Hammer, who brought Lib-

ya’s Qaddafi into power, these networks are engaged in a complex game of intrigue, penetration, and, if necessary, cooperation with each others’ intelligence services through the deployment of spies, terrorists, and counterterrorist capabilities.

The terrorist acts perpetrated in this way are described by intelligence professionals as “derivative operations,” referring to capabilities whose ultimate control points are very difficult to trace, preventing law enforcement agencies from documenting the complexities which were involved in the actual terrorist deployment.

In 1963, the assassinations of President John Kennedy, Italy’s Enrico Mattei, and Greece’s Lambrakis were forms of derivative operations. During that period, the networks employed from a variety of sources and institutions were derived from the capabilities created during World War II by the GPU (predecessor to the KGB) and the Anglo-American Special Operations Executive (SOE). These capabilities included the Nazi International, reorganized after the war, and its interface with the Anglo-American and Soviet bloc intelligence services. Included in this were the networks associated with the 33 assassination attempts against President Charles de Gaulle of France by the Secret Army Organization (OAS). It included the emerging power of the international drug traffickers from Sicily, Corsica, Lebanon, and Indochina. The Moscow-backed forces of the emergent “national liberation” movements in the Third World were utilized to create terrorist capabilities as well.

At the close of 1983, *EIR* forecast the expanding capabilities of what we called the “Nazi-communist alliance” behind world terrorism. In numerous feature articles throughout 1984, we documented how this functions on a case-by-case basis, ranging from the conspiracy to blow up the Temple Mount in Jerusalem, to the rise of Green fascist-terrorism in Germany, to the manufacture of Peru’s Shining Path terrorist gang by Sorbonne-educated anthropologists. The terrorist assault on NATO military facilities in Western Europe which we warned of repeatedly is now occurring on virtually a daily basis.

The failure on the part of honest U.S. counterterror forces to understand and effectively combat this danger is partially the result of the ongoing intelligence warfare within the Reagan administration, between the forces of Henry Kissinger and George Shultz on the one side, and Caspar Weinberger

on the other. Until the Kissinger-Shultz crowd is excluded from positions of power, the threat will continue and even intensify—including the threat of another assassination attempt against President Reagan himself. The President is now the subject of at least 600 assassination threats per day, and the latest intelligence reports indicate that the “Islamic Holy War” fundamentalists are now operational in the United States.

The fundamentalist scourge

Augmenting the pre-existing terrorist capabilities has been the rise of “fundamentalist” and “separatist” terrorism. The history of this fundamentalist apparatus goes back several centuries, long before the deaths of Mrs. Gandhi and the U.S. intelligence officials and Marines in Beirut. However, it is now through a network of fundamentalist cults throughout the world, cutting across every ethnic and religious line, that the “New Yalta” apparatus seeks to accomplish its objectives. These fundamentalist cults do not have the same

The latest terrorist acts are described by intelligence professionals as “derivative operations,” referring to capabilities whose ultimate control points are very difficult to trace, preventing law enforcement agencies from documenting the complexities involved in the terrorist deployment.

modus operandi as previous terrorist operations. They exemplify the most effective kind of “derivative” terrorists, because the assassin cults such as the Barbar Khalsa of the Sikhs, the Jamiat al-Islami (Muslim Brotherhood), the Tradition, Family, and Property (Gnostic Catholic fundamentalists), and the Temple Mount (Jewish fundamentalists) are deployed on the basis of “cultural” or “religious” cover, maximizing the difficulty in tracing their controllers.

In this regard, the infamous “Bulgarian connection” in the deployment of the Islamic fundamentalist fanatic Ali Acga, represents a crucial interface of the East bloc intelligence service in carrying out a hit against Pope John Paul II on behalf of the Western oligarchic families.

In another instance, Khomeini’s Iran, the intelligence service Savama provides the operational training for kamikaze units to target U.S. officials throughout the world, but the actual control lies with special North Korean and Soviet

specialists training these operatives in approximately 22 terrorist camps throughout Iran. However, due to the political interference from the U.S. Department of State, the cover-up of who was responsible for the recent Kuwaiti Airliner hijacking will continue, as long as the Kissinger-Shultz deal with Moscow and Teheran remains intact. As long as the U.S. State Department and the British Foreign Office remain committed to protecting Soviet capabilities in the Mideast, then these fundamentalist operations will not be properly addressed. The Syrian intelligence service, closely allied with the KGB but also working with a faction of the Mossad (Israeli intelligence), is arranging a deal in the Mideast at the expense of the United States, in which terrorist operations will serve as a component of the ongoing intelligence war against U.S. interests.

Spetsnaz and European terror

The next phase of the escalation of international terrorism is the interface between the Soviet special forces (spetsnaz) units and terrorism in Western Europe. Although U.S. intelligence estimates insist that the current wave of bombings in Europe, specifically targeting NATO installations, is *not* the work of spetsnaz units, the evidence that the Red Army Fraction (RAF), Red Brigades, and ETA have received specialized training in the Soviet Union is becoming more and more compelling. Officially, U.S. intelligence services maintain that it would be a dramatic mistake for the Russians to activate their highly trained and deeply penetrated spetsnaz units now, since if any of these units were caught before the full-blown strategic crisis emerged, then the Soviets would have sacrificed too much too soon.

Nonetheless, the Soviet gameplan of launching “pin-prick” warfare using terrorist surrogates is part and parcel of the development of a new round of Western European terrorism targeting U.S. military bases and officials. The re-emergence of the RAF and Red Brigades is a clear signal that these operations are in fact derived from the strong showing the Green Party is making in West Germany and the fact that the Soviet political moves in Western Europe depend on the success of bringing the Greens into power along with the Social Democrats led by Willy Brandt. The return to prominence of the RAF and Red Brigades is the work of Qaddafi and the Socialist International, led by Brandt, former Austrian Chancellor Bruno Kriesky, and Malta’s Dom Mintoff. In fact, the Maltese connection is expected to emerge as the key operational point for backing the reorganized RAF and Red Brigade units. From Malta, both Qaddafi’s financing and Mintoff’s political support will ensure that the New Yalta forces have a clear advantage for not only destabilizing Western Europe, but the Mediterranean as well. Qaddafi has called for a meeting in Tripoli at the beginning of 1985 of the RAF, Red Brigades, the Corsican Liberation Front (FNLC), and the French Action Directe to target the United States throughout the region.

Efforts by U.S. allies put Mideast peace policy in Washington's reach

by Thierry Lalevée

As 1984 began, Moscow looked confidently ahead to becoming the undisputed master of the Middle East, sharing its imperial rule only partially with carefully chosen and neutralized European powers such as France, Britain, and the Federal Republic of Germany. The Kremlin could look to the implementation of a modern version of the 1916 Sykes-Picot agreement among Paris, London, and Moscow, at the expense of the countries of the region and of its principal rival power, the United States. Washington was seen as all but neutralized by its own presidential election campaign, and as incapable in any case of dealing with any difficult foreign policy crisis.

A year later, the situation has changed—no thanks to the U.S. State Department or the politicians in Washington who, indeed, did not pay the slightest attention to the Middle East during the election campaign. But the determined efforts of certain of America's allies in the region, and especially of Egyptian President Hosni Mubarak, have now landed the ball in the American court.

The challenge facing the second Reagan administration, to conclude peace in the Mideast, can only be achieved if the political initiatives taken by Egypt, Jordan, and Iraq are accepted. This means recognition of Yasser Arafat's leadership of the Palestinians, and a broader economic reform which puts an end to the International Monetary Fund's austerity conditionalities.

In early 1984, Washington was still paying the price of the Carter administration's decision in 1979 to put Ayatollah Khomeini into power in Iran, to play an illusory "Islamic card" against the Soviet Union. By October 1983, the Islamic card had been fully transformed into a Frankenstein monster—as this magazine had predicted it would—claiming the lives of over 200 U.S. Marines in Beirut. But Washington, out of fear as well as electoral preoccupations, did nothing to retaliate.

On the contrary, following the wishes of the Soviet Union, its mercenaries of the Islamic Jihad terrorist group, and the governments of Syria and Iran, Washington decided in February of 1984 to withdraw its troops from Lebanon, along with the troops of the other powers of the ill-fated "multinational peace-keeping force," such as the French, who had

also been badly hit, and the British, who were somehow always spared.

Wasn't the departure of the U.S. Marines from Beirut the first step toward a general withdrawal of American influence from the Middle East as a whole, from the Atlantic to the Gulf? Many of America's friends in the region thought in sorrow that this was the case; America's foes wished it and went on a terrorist rampage throughout the region and internationally to make their point—a way for Moscow to test Washington's true policies. Moscow looked forward to establishing diplomatic relations with more countries in the region, with Egypt, Israel, and Saudi Arabia high on its list. Continuous Saudi-Soviet ties have been maintained in Kuwait, and the American businessman and KGB agent-of-influence Armand Hammer recently carried to Moscow a message from Israeli Foreign Minister Shamir on establishing Israeli-Soviet diplomatic ties.

Mubarak's political offensive

If it were not for the stabilizing role Egypt played over the past year and a half of American foreign policy paralysis in the Middle East, not only would the Camp David agreements have been wrecked, but Washington would have lost even its friends in the Gulf and Saudi Arabia.

Yet, no one can accuse Mubarak of being an "American puppet," as he led his country last August toward re-establishing diplomatic relations with the Soviet Union, severed in the wake of President Anwar Sadat's assassination in October 1981.

The reason for Egypt's efforts over the past 12 months to shift Washington's policy is simple enough. Outside of the economic and political links which bind Cairo to Washington, a political vacuum left by the United States would not only leave the field open and uncontested to the Soviet Union, but would take Egypt back 30 years when, following the treacherous policies of U.S. Secretary of State John Foster Dulles, it was ostracized from the international community and left to deal with Moscow on its own.

While abiding by the Camp David treaty and maintaining a limited but balanced relationship with Israel, Cairo was reintroduced into the Organization of Islamic Countries in

late 1983 at the initiative of Morocco's King Hassan, and new relations developed with other Arab states such as Algeria, the Gulf countries, and Iraq—which Egypt has unconditionally supported in its four-year-long war against Iran. Most Arab countries began to admit that Cairo is the center of Middle Eastern and Arab politics, and that refusing to have diplomatic relations with Egypt does nothing to change that.

The most spectacular acknowledgement of that basic fact of life was the reconciliation between Egypt and Jordan, dramatized in October by the first visit ever of an Egyptian President to the capital of the Hashemite kingdom, and the reciprocal visit of King Hussein to Cairo in December. The reconciliation was followed by the reestablishment of diplomatic relations between the United States and Iraq on Nov. 26. Many American emissaries to Baghdad may have done footwork for this, but the political environment for the spectacular move was created by Egypt and a few other countries—all the more remarkable as Baghdad still has no ambassador in Cairo.

In February, immediately following the U.S. troop withdrawal from Lebanon, King Hussein and President Mubarak came to Washington for meetings with President Reagan, bluntly informing him that there will be no peace in the Middle East unless he deals with Arafat's Palestine Liberation Organization. Reagan, under the malign influence of the State Department and the White House "Palace Guard," responded by telling Egypt to implement the austerity conditionalities that the International Monetary Fund was demanding!

The Arab leaders recognize that the principal obstacles to a new positive U.S. leadership role in the Middle East are Henry Kissinger and his State Department cronies. Kissinger is hated throughout the Mideast for his treachery against every country of the region. President Mubarak, during his meetings in Washington and in a letter to Reagan, called on the U.S. President to "break with the policies of Henry Kissinger." Mubarak's messages were intercepted on numerous occasions by the State Department; in one known instance, Secretary of State George Shultz intervened to prevent Reagan from receiving a letter from the Egyptian President opposing the U.S. withdrawal of troops from Lebanon.

Shortly after the Hussein-Mubarak trip, a major flare-up in the Iran-Iraq war served to further discredit the United States in the region. Lyndon LaRouche recommended in March that the United States immediately abandon its foolish "neutrality" and declare war on Khomeini's outlaw state, but this advice was overruled.

Happily, U.S. policy has not been completely under the State Department's thumb, however. Secretary of Defense Caspar Weinberger's two visits to the Middle East, in October and December, did much to strengthen the confidence that countries like Egypt, Saudi Arabia, Jordan, and Tunisia place in the United States. As Weinberger was able to outline to them the basic ideas of the administration for a compre-

hensive peace settlement, those countries could agree to be patient a few more months, making clear that the weeks following the U.S. presidential inauguration will be crucial for testing Washington's real willingness to get to work in the region. This is especially true in light of the crucial developments within the Palestinian movement over the last year, and Arafat's Nov. 22 decision to break with the PLO's radical fringe groups, the puppets of the Syrians and the Libyans, and ultimately of the Soviets.

Qaddafi and the IMF

Though America's present standing, compared to last January, might look like a political miracle, it is in fact just enough for Washington to recapture the credibility it has lost since 1978-79, the worst years of the Carter administration.

As the January and February food riots in Morocco and Tunisia and the October food riots in Egypt underline, a political initiative from Washington is not enough; it must tackle the economic crisis of most of the countries of the Middle East and North Africa.

There is little doubt also that, outside of international political considerations, the riots were one of the prime considerations which led to the ill-advised Union between the Kingdom of Morocco, a close ally of the United States, and the "Jamariyyah" of Colonel Qaddafi of Libya in early August.

Qaddafi's kingpin role, which is being fostered by the Socialist International and the U.S.S.R., is a direct result of the U.S. failure to develop a comprehensive political-economic solution for the region. The United States is now watching the Soviets and the Socialists—François Mitterrand of France, Andreas Papandreu of Greece, Olof Palme of Sweden, and Willy Brandt of West Germany—capitalize on America's commitment to the austerity policies of the IMF.

These are also the issues that the United States has to face with Israel. For more than six months, that country's political life was paralyzed by an electoral process which produced an unstable Labor/Likud government led by Labor Prime Minister Shimon Peres. The economic crisis is the prime focus and problem of the new Israeli leadership, with an inflation rate close to 1,000% and industrial plants closing one after another. Israel now faces a choice: either a flight forward, which could bring the madman Ariel Sharon to power as prime minister and lead to the further military expansion of Israel, or a rational political solution and a peace settlement.

Israel holds most of the keys to peace in the region, and it is thus no surprise to see both the Socialist International and the Soviets wooing the new Israeli leadership, even at the expense of their other alliances. It is thus no wonder that Mitterrand suddenly invited Peres to Paris in mid-December and offered him what the American State Department had always refused, two nuclear power plants. The State Department is pushing for more austerity inside Israel, more unemployment, and higher interest rates—which makes Israel all the more open to the Socialist International's bid.

South American governments unite against common foe: the drug trade

by Valerie Rush

The largest drug busts in history were carried out in Ibero-America during 1984, ranging from last March's dismantling of Colombia's vast complex of "cocaine cities" buried in the jungles of Caquetá to the spectacular raids of Mexico's giant marijuana processing plants in northern Chihuahua state in November.

The cocaine busts not only dumped nearly 10 tons of refined cocaine powder in the Yari River, but also began the process of dissolving the stranglehold that the dope mafia has maintained in Colombia for nearly a decade. In Mexico, the *federales* burned almost \$10 billion worth of potent psychotropic weed, and along with it the seed money that powerful anti-government interests in the region were counting on to buy the elections in 1985.

These unprecedented successes in the global war on drugs paralleled equally impressive advances in Ibero-America's resolve to do battle against a common foe through a uniting of forces:

- In Quito, Ecuador, Ibero-American Presidents from seven leading nations met on Aug. 11 to call for the creation of a "multinational against drugs" and to declare drug trafficking "a crime against humanity with all applicable juridical consequences."

- The OAS Special Task Force on Narcotics convened on Aug. 20 to call for an inter-American conference to carry forward the Quito resolutions.

- During the week of Sept. 24, the U.N. General Assembly heard Venezuelan President Jaime Lusinchi, Colombian Foreign Minister Augusto Ramírez Ocampo, and other prominent Ibero-Americans demand global attention to the "universal plague" of the drug trade.

- On Nov. 6, justice ministers from throughout Ibero-America met in Bogota to formulate a uniform legal code against drug trafficking and to establish a continent-wide intelligence exchange to assist in the persecution and capture of drug felons.

Identifying Dope, Inc.

The dramatic escalation in Ibero-America's anti-drug offensive during 1984 reflects a deeper awareness on the part of governments across the continent that the drug trade is

more than a particularly nasty illegal enterprise. Rather, it has served as the cutting-edge of a deliberate destabilization operation which, through the selective use of terrorism and the general application of the debt/austerity tourniquet to Ibero-America's economies, would reduce the continent to the status of colonies of the world financial community.

EIR was, in fact, the first to identify the hydra and its myriad heads back in 1978 when it coined the term "Dope, Inc." Shortly thereafter, the best-selling book of the same name was published, describing in detail the powerful network of world-class bankers, unreformed Nazis, corporate executives, old European nobility, tainted intelligence operatives, and professional assassins who control the \$200-billion-a-year dope trade and, through it, a substantial percentage of total world money flows.

The book also explains in detail how the same financial interests ran the Opium Wars against China in the 1840s and '50s that now are running the second Opium Wars, or the Debt Wars, against the developing sector nations today. In 1984, the colonialist looters are no longer the British East India Company but the debt-enforcers at the International Monetary Fund, and their home-grown propagandists like Henry Kissinger.

Take, for example, the Kissinger Commission's National Bipartisan Report on Central America released in early January, which employs the old "free market" rhetoric of Adam Smith and the British East India Company to urge the conversion of Central America into a vast drug plantation on the model of the British Empire's Hong Kong and Singapore drug capitals. Just like the British East India Company's mouthpiece Parson Malthus, the Kissinger Commission also insists on population reduction and forced intervention as necessary to keep the Central Americans in their place.

The Commission's showcase "free-market" model can best be viewed in the "island paradise" of Jamaica, where during 1984 industrial production and even the production of food was being legislated out of existence to give rein to the "private initiative" of the drug traffickers. What might have become a genuine nation-state is being rapidly converted into a drug-and-gambling emporium surrounded by a vast human garbage heap, courtesy of Her Majesty's Prime Minister Ed-

ward Seaga and the International Monetary Fund.

If the hydra is to be defeated, its heads must be lopped off simultaneously. Ibero-America's governments took a major step forward in this direction during the month of December, when high-profile diplomacy among the Presidents of its three leading democracies—Mexico, Venezuela, and Colombia—served to send a single resolute message to their colleague in the White House. Whether delivered personally by Venezuela's Lusinchi, who spent several days in Washington meeting with Reagan and addressing high-level gatherings there, or through the public communiqués and press conferences convened by Presidents de la Madrid of Mexico and Betancur of Colombia, in Mexico City, the demand was the same: developing Central America into sovereign prosperous nations, freeing the continent from the genocidal debt-collection policies of the international banks, and smashing the twin evils of drugs and terrorism were the top, interrelated priorities of the inter-American community.

Tragic losses

In 1984, Ibero-America has scored some dramatic successes but also suffered some tragic casualties in its war on drugs. One of the continent's most courageous leaders on the anti-drug front lines was Colombian Justice Minister Rodrigo Lara Bonilla, who was felled by a mafia assassin's bullets on the evening of April 30. If there can be any consolation from such a loss, it is that his death galvanized the continent into unprecedented and unified action.

At this stage in the war, Dope, Inc.'s on-the-ground forces in Ibero-America are in considerable disarray, with local capos in many areas hiding out as fugitives from the law, traditional production and supply lines disrupted, and financial godfathers under intensified scrutiny, even indictment in some cases.

Exemplary is the case of Jaime Michelsen Uribe, former Bank of Colombia director and currently a wanted fugitive facing innumerable counts of fraud, embezzlement, and breach of confidence. Should Michelsen ever be brought to stand trial, his role as a top launderer of dirty money through his massive banking and financial empire would quickly surface, no doubt entangling many others along the way.

Dope, Inc.'s grand-slam political ambitions were also dealt a serious setback in 1984 when it sent out former Colombian President Alfonso López Michelsen to test the waters for the outright purchase of a government—and got doused instead. López was deployed to hold negotiating sessions with Colombia's fugitive mafia chieftains in early May, just days after Lara Bonilla's murder, holding out the offer of total amnesty and legalization in exchange for bringing home to Colombia sufficient cash from the drug trade to pay off the country's pressing debts. A similar scenario was attempted in bankrupt Bolivia.

At the same time, Dope, Inc.'s stringers in the media—and particularly in the Wall Street press—deployed to dis-

credit the continent's anti-drug efforts as worse than useless. The *Wall Street Journal*, the *Journal of Commerce*, the *New York Times*, the *Washington Post*, and other U.S. press organs ran an un-ending series of articles and commentaries warning that interdiction of narcotics shipments only drove up the prices—and thereby the profits—of the mafia. They argued that persecution of the mafia only led to bigger and bloodier retribution. They insisted that eradication of drug crops violated the human rights of the "indigenous" producers and, besides, represented intolerable interference with free enterprise. Especially, they threatened that inhibiting the drug trade in Ibero-America would bring down "drug-dependent economies" like that of Colombia and Bolivia.

López and his mafia colleagues were clearly banking on the persuasive tactics of the Kissinger Commission and the International Monetary Fund to make their offer one that couldn't be refused. What they didn't anticipate was the near-universal repudiation of their offer as morally repugnant and politically unacceptable. The combined backlash of his miscalculation and this publication's intensive public scrutiny of his spotted past and present forced López into a hurried departure from Colombia on an extended European vacation not long thereafter. Colombia's mafia kingpins, like Pablo Escobar, Carlos Lehder, and the Ochoa clan, found themselves facing extradition to the United States instead of their looked-for place in the sun as Colombia's financial saviors.

Narco-terrorism

Dope, Inc. has not, however, played out its hand. What it cannot buy it would destroy. Peru is a case in point, where the synthetic terrorist group known as Sendero Luminoso (Shining Path) is sowing economic, political, and social havoc in the wake of its indiscriminate slaughter. The electoral debate leading to Peru's March 1985 presidential elections has been devoted as much to whether to "dialogue" with the rampaging Shining Path butchers as to how to deal with Peru's devastating economic crisis, and insistent coup rumors threaten to put an end to Peru's tenuous democracy. A perfect Nazi-Community synthesis, Shining Path is deployed to make Peru into a "horrible example" to its more resistant neighbors.

As the economic crisis worsens across Ibero-America in 1985, the efforts of Dope, Inc. to capture a vulnerable continent will intensify. Ibero-America's determination to close ranks against a common enemy must therefore be broadened to include the debt enforcers of the International Monetary Fund, whose partnership with the drug mafia has been all too plain to see. Winning the government of the United States away from its free-market fantasies and into a community of common interest with the rest of the continent is the critical next step to be taken if the war against Dope, Inc., is truly to be won. Colombian President Betancur's Dec. 7 call for a government-level inter-American conference on the debt, to be held in early 1985, could be precisely the vehicle required.

Gnostics, kooks, and narco-terrorists get a bloody nose in Ibero-America

by Valerie Rush

The narco-terrorist apparatus in Spanish-speaking America was dealt several crippling blows in 1984, not the least of which was the banning of the Tradition, Family and Property (TFP) assassins' cult from Venezuelan territory in early November. The investigations that led to proscription of the TFP have opened the door for scrutiny of other such sects, like the Gnostic Church, which operates extensively throughout the continent and whose links to the drug trade and to international terrorism have been made a matter of public record.

In Mexico, the Nazi-communist drug-trafficking machine known as the *Partido de Acción Nacional*, or PAN, was engaged in fierce battle by the Mexican Labor Party and elements of the ruling PRI party, as the key July 1985 elections that could well decide the fate of the nation approach.

In each instance, *Executive Intelligence Review* published the ground-breaking intelligence which enabled relevant authorities and political institutions in those countries to administer "bloody noses" to the narco-terrorist network that plagues the continent.

TFP: 1 down, 14 to go

Tradition, Family and Property, the secretive anti-papal cult which hides its para-military training camps in the jungles of several Ibero-American countries and which sometimes goose-steps its way through the main streets of some 15 countries where it maintains its organization worldwide, was first identified by *EIR* as a highly-trained assassination capability of Europe's unregenerate monarchical pretenders, or "black nobility," beginning two-and-a-half years ago with the publication of a series of articles.

The articles identified the pseudo-Christian TFP cult as a self-appointed army of a resurrected Inquisition which has been linked to the May 1982 assassination attempt against Pope John Paul II. The TFP, as *EIR* reported, has been photographed using posters of the Pope for target practice in its Brazilian training camps. *EIR* detailed the ties of TFP—in which the operative word is "*Property*"—to such royal pretenders as the Brazilian-Portuguese Braganza family, the fabulously rich Thurn und Taxis family of Germany and Italy, and the schismatic Lefebvrist networks in the Catholic Church. *EIR* also described the brainwashing techniques used to turn its fanatic members into trained killers.

In the process of security preparations for Pope John Paul II's visit to Venezuela in January 1985, Venezuelan authorities' attention was drawn to the TFP. The *EIR* coverage, combined with legal complaints submitted to the Venezuelan Ministry of Justice by parents of TFP members in that country, spurred the months-long investigation by the Organized Crime Division of Venezuela's judicial police which led to a raid on TFP headquarters in July, followed by a second raid in October.

Exposés on the dangerous nature of the TFP flooded the Venezuelan press in the intervening months, much of it drawn from *EIR* research as well as dossiers compiled by the enraged parents' group. Clandestine TFP training camps were reportedly uncovered in remote areas of Venezuela, with assistance from Interpol.

On Nov. 7, congressional hearings on the TFP organization yielded damning evidence by several former TFPers, one of whom admitted that a TFP audience had enthusiastically applauded the death of Paul VI, who they claimed "deserved to be in Hell." The Caracas daily *2001* reported that Cardinal Eugenio Sales of Rio de Janeiro, Brazil, personally sent Venezuelan security forces written testimony charging the TFP of plotting to kill the Pope.

On Nov. 13, the Lusinchi government of Venezuela resolved to ban TFP from operations anywhere on national territory. Fourteen more TFP centers are still in action.

Drugs, kidnapping, and terrorism

When Venezuela's ruling AD party banned the TFP, AD Secretary-General Manuel Peñalver told the press: "We will also be examining other sects that act illegally in the country. . . ." The Gnostic Church is currently under formal investigation by the Venezuelan Congress.

The Gnostic Church has not only been intimately linked to the terrorist M-19 movement in Colombia, whose now-deceased head Jaime Bateman confessed that he was controlled by the sect through his mother, a member of the "church." It has reportedly conspired with its Venezuelan counterparts in an assassination plot against Venezuela's President and its justice minister. The church has also been identified as a tentacle of that global conspiracy known as Dope, Inc., which has one of its primary centers in the Eastern European country of Bulgaria.

According to a special 55-page dossier on "Narco-Terrorism in Ibero-America," released in September by *Executive Intelligence Review*, Bulgaria has been "a hotbed of militant Gnosticism from the 10th century down to the present day." It is no accident, according to the dossier, that Bulgaria has long served as "a major transshipment point for drugs originating in Iran, Afghanistan and Pakistan," that the Bulgarian state trading agency Kintex has been exposed in prominent media stories internationally going as far back as 1974 as "a center of both narcotics and arms shipments," and that Bulgarian government officials have been fingered by the Vatican for their role in orchestrating the attempted assassination of Pope John Paul II.

EIR's attention was first drawn to the role of the Gnostic Church in the narco-terrorist conspiracy at the end of July, when Colombian anti-drug fighter Patricia Paredes de Londoño was kidnapped on the streets of Bogota. With her reappearance in a semi-brainwashed and physically tortured state on Aug. 1, following an aggressive campaign for her release by *EIR* and the international Anti-Drug Coalitions, a horror story featuring the obscure Universal Christian Gnostic Church was unveiled.

EIR learned that prominent leaders of that "church"—including Gnostic "bishop" José Vicente Márquez—had been involved in Mrs. Londoño's kidnapping. During her captivity, published Gnostic brainwashing techniques for the "annihilation of the ego" had been gruesomely applied.

EIR investigators also took a closer look at former Colombian President Alfonso López Michelsen, under whose government the Gnostic Church in Colombia was first made legal in 1974, and whose intimate ties to the Colombian drug mafia were made public during the same week as Mrs. Londoño's ordeal, when López admitted in a major newspaper interview to conducting unauthorized amnesty negotiations with leading mafia fugitives in Panama. *EIR* discovered that López headed a delegation to Bulgaria in October 1979, after his presidential term. He was received by Bulgaria's now deceased Gnostic priestess Lyudmila Zhivkova, daughter of the Bulgarian party chief Todor Zhivkov, and her husband, a Kintex official.

Not long after *EIR*'s exposé of the Gnostic church's ties to kidnapping, drugs- and arms-trafficking, terrorism, and papal assassination conspiracies, a detailed report appeared in the Colombian weekly magazine *Cromos* which described the Universal Christian Gnostic Church as "an intricate network of international swindlers and counterfeiters . . . linked to the drug trade." The investigations of the Gnostics in Venezuela remain to be taken up in Colombia and elsewhere.

'The party of narcotics and terrorism'

In Mexico, a battle with implications for the whole continent is under way between nationalist forces which draw their heritage from the Mexican Revolution, and the neo-Nazi opposition PAN party, whose sizeable war-chest is swollen by profits from the illegal-drug trade, thriving once

again in Mexico's northwest. Political support has also come from the outside: The U.S. State Department and Ambassador to Mexico John Gavin, circles in the Republican Party, and U.S. media such as the *Wall Street Journal*, *New York Times*, and Jack Anderson's nationally syndicated column have all shamelessly embraced the PAN as Mexico's "new democratic hope."

The Nazi-communist nature of the PAN became manifest during the course of 1984, when it consolidated a formal alliance against the government with the Mexican Communist Party, known today as the PSUM. The PAN itself comes out of the same network which controls the TFP and the Gnostic Church internationally. It incarnates the revenge of today's European feudalists who have never forgiven Mexico's republicans for their 1867 execution of Maximilian—the Hapsburg emperor imposed on Mexico to collect British, French, and Spanish debt.

Coming directly out of the Cristero Wars of 1926-29, which attempted to return Mexico to the Dark Age, the founders of the PAN were all molded by the Jesuits' "third-way" doctrine which embraces left- and right-wing terrorism of all varieties in a war against both "laissez-faire capitalism" and "materialistic socialism." It was but a short distance from the rebellions of the Cristero movement against Mexico's potential to become a modern industrial nation, to the "leftist" student uprisings against the Echeverría government in 1968, in which PAN members played a key leadership role despite the PAN's "right-wing" profile.

"Left" and "right" extremes also come together in the drug trade, which serves as a vehicle for financing arms shipments and terrorist deployments. The now-defunct 23rd of September Communist League terrorists evolved out of "community action" experiments set up by the local PAN apparatus in Ciudad Juárez, Chihuahua, in 1966. Last November's spectacular government raids in the PAN's territory of Chihuahua yielded 10,000 tons of marijuana and several giant concentration camps where as many as 14,000 enslaved peasants harvested and packaged the weed under the watch of thugs armed with machine guns.

EIR's "Dateline Mexico" column and other articles have reported since 1983 on the investigations by the Mexican Labor Party (PLM), exposing the overt Nazi ideology of the PAN, its subversive alliance to the KGB-run communist party of Mexico, the PSUM, and its ties to drug-running and terrorism. Using this material, the PLM has campaigned for withdrawal of the PAN's status as a registered party. The information has also strengthened the hand of patriots in the ruling PRI against the insurgents.

The danger of infectious PANorrhea, a term coined by the PLM, terrified Mexican housewives and politicians alike and helped strip away the "anti-corruption" disguise in which the PAN sold itself. The Chihuahua drug busts, as much a political challenge to the PAN as a government crackdown on the drug trade, presage rough times ahead for the party of narcotics and terrorism.

Will Kissinger's war plan prevail?

by Cynthia Rush

Throughout most of 1984, the dominant influence in the Reagan administration's policy toward Central America has been the report issued by Henry Kissinger's Bipartisan Commission on Central America. Released on Jan. 11, 1984, the report has nothing to do with defending U.S. national security interests; instead, it encouraged actions in Central America that could only accelerate the process of decoupling Europe from the United States while embroiling America in a Vietnam-like mess from which it could not extricate itself.

The Kissinger Commission report called for restructuring Central America's economies in such a way as to foster the production and trafficking of drugs, using the model of such "free enterprise" economies as those of Hong Kong and Singapore; it backed Malthusian population-reduction programs, asserting that overpopulation is the root cause of economic misery in the region; and it espoused growing regional warfare modeled on Europe's Thirty Years War. Teddy Roosevelt's "gunboat diplomacy" was cited as the model for increased U.S. military intervention.

But Henry's friends in the State Department could only make headway with his policy if at the same time they stomped on the independent peacemaking initiatives of the Contadora Group, whose four members are Mexico, Panama, Venezuela, and Colombia. Kissinger didn't take kindly to direct attacks on his commission's report by the Presidents of Colombia, Venezuela, and Mexico or to their repeated calls for President Reagan to approach the region with a program of aggressive economic and infrastructural development. Any U.S. "military option," for the region would carry "incalculable risks" and "unforeseen consequences," the Contadora leaders warned.

For months, Contadora's efforts had centered on getting the nations of Central America, *including Nicaragua*, to sign a second version of a peace treaty which called for "the cessation of hostilities, and of belligerent acts or preparation for war, arms restraint, a commitment of all of the countries in the region not to support subversion or destabilization of neighbors, and withdrawal of foreign military forces." The State Department mouthed official support for the group's

efforts until mid-October, when Nicaragua and four other Central American countries announced they would shortly sign the treaty. State went haywire. Within days, its crude blackmail and armtwisting tactics got four of the nations to raise "objections" to the treaty and back down on signing. Only Guatemala stuck to its original commitment.

The centerpiece of Kissinger's strategy is to unleash enough chaos in the region to justify pulling American troops out of Europe for redeployment into Central America. Mexico is an important part of the strategy because of its shared border with the United States. From the south, Mexico's stability has been continuously threatened by existing insurgencies and reports of U.S. military invasion, which has tended to send an increasing flow of refugees northward. But the State Department escalated the threat by publicly backing the activities of Mexico's neo-Nazi PAN, a drug-linked party which has vowed to unleash violence and civil war inside the country unless allowed to participate in the government. Any upheaval in Mexico, provoked by internal or external causes, would provide the Kissinger racists with a pretext for redeploying American troops to Mexico or elsewhere in the region to defend the U.S.-Mexican border from "brown hordes" of fleeing refugees.

A U.S. invasion?

In October and early November, Central America came close to exploding in the way that the State Department desires. The Nicaraguan government warned repeatedly of an imminent U.S. military invasion, placing its population and armed forces on a total war footing. While the State Department's "roving ambassador" Vernon Walters, a key proponent of decoupling, publicly advocated deploying U.S. troops from Europe to Central America as evidence of a "no-nonsense" policy toward the Soviets, the Socialist International's Willy Brandt shrieked from the "left" that any U.S. incursion into the region would result in an "anti-American" backlash throughout Europe. Beginning on the day of the U.S. elections, Nov. 6, and in the week following, reports that Soviet ships heading toward Managua were carrying MiGs raised expectations of an imminent U.S. military intervention. But neither the MiGs nor the invasion materialized.

Signs of a shift in policy did appear in Washington, at the end of November, reflecting the fierce factional battle over the Strategic Defense Initiative. In a Nov. 28 speech at the National Press Club, Defense Secretary Weinberger attacked those "theorists" who "argue that military force can be brought to bear in any crisis," warning that "the President will not allow our military forces to creep—or be drawn gradually—into a combat role in Central America or any other place in the world." But only if these echoes of the "LaRouche doctrine" (see p. 4) are followed up with a dramatic shift in economic policy, dumping the International Monetary Fund and its State Department backers, will there be a chance of real peace in Central America.

Vatican renews fight for Western values

by Augustinus

On Dec. 10 Moscow's *Pravda* vigorously denounced "the shift to the right of the Vatican leadership." The Vatican and the Pope, the Soviet paper stressed, have joined ranks with President Reagan and abandoned the "neutrality" on the East-West question which they had during the 1960s and the 1970s. After condemning the "Vatican's rejection of Liberation Theology," which was issued on Sept. 4, 1984, *Pravda* concluded wildly: "Washington is trying to achieve the religious ideological basis for the idea of creating an anti-communist, anti-Soviet crusade."

The frustration of the new czars of the Kremlin is understandable. As the year opened, as *EIR* warned in a Feb. 28, 1984 cover story, Pope John Paul II appeared on the verge of caving in to a deal with the Kremlin, a policy embodied in the "Ostpolitik" of Secretary of State Agostino Casaroli. Yet, in the last period there have been clear signs that the Vatican leadership is abandoning the appeasement line. Seen through the eyes of the Russian leaders, the Ostpolitik was a means of pushing the Catholic Church to favor the Soviet plans of destabilization of the West.

The Soviets had believed they could maneuver diplomatically to the point that the Vatican would not even dare to draw the obvious conclusion from the Soviet-inspired attempt on the life of John Paul II in 1981. But last Oct. 26, after a series of dramatic shifts, the magistrate in charge of investigating the crime finished his three-year probe and presented the evidence of Bulgarian (hence, Soviet KGB) involvement in the murder plot. Moscow's answer was savage: Polish Catholic abbot Jerzy Popieluszko, one of the brightest and bravest leaders of the Solidarnosc movement and believed to be very close to the Pope, was kidnapped, tortured, and thrown still alive into the Vistula river. The crime was ordered, organized, and executed by KGB agents inside the Polish interior ministry.

Indeed, the Soviets are rabid because the Vatican leadership is not only "shifting to the right" vis à vis the Russian empire, but has begun to confront Moscow's biggest ally in the West: the Venetian-Swiss oligarchy which dominates world finance and debt collection, and promotes the Malthusian doctrine of population control to halt scientific progress.

What is clear is that John Paul II is engaged in a fight to save Western civilization against a concentrated and potentially final attack.

On Oct. 12, speaking in Santo Domingo, the Pope took up the issue of the financial strangulation of the Third World countries. He denounced an "incorrect behavior in international relations and in commercial interchange, which creates new imbalances. And now the grave problem is presented of the foreign debt of the Third World countries, in particular of Latin America. This phenomenon can create conditions of undefined social paralysis and can condemn entire nations to permanent debt . . . to constant underdevelopment." After this cue, on Nov. 25 the Conference of the Central American Bishops frontally attacked the "International Monetary Fund's cold, dehumanized concept of economy." "The Catholic Church does not accept the supposed recommendations of the IMF," said conference spokesman Archbishop Roman Arrieta Villalobos, "for the simple reason that they affect our peoples. . . . The pressures brought by the IMF in its effort to recover loans are to be rejected with courage and firmness."

This attack against the IMF policy fits into a broader attack on what John Paul II called in his Santo Domingo speech "the action of the agents of neo-Malthusianism who wish to impose a new colonialism on the Latin American peoples." In the same speech, the Pope condemned "the spread of religious cults." On Nov. 13, utilizing testimony from the Catholic Cardinal of Rio de Janeiro, the government of Venezuela banned Tradition, Family and Property, the right-wing cult that advocates the assassination of the Pope (see p. 52). This cult is the counterpart of the Marxist-oriented Liberation Theology in a plan to have the Ibero-American continent explode in a bloody right-versus-left scenario.

Taking aim at the "left" side of these anti-progress cults, on Dec. 4 the Pope ordered the Society of Jesus to expell Fernando Cardenal, minister of education in the Nicaraguan government, a top "Theolib" figure.

With full diplomatic relations between Washington and the Vatican opened in 1984, the potential alliance between President Reagan and the Pope which the Soviets fear could be one of the determining factors in saving the West, if the programmatic content of this alliance is clear and capable of mobilizing the large majority of people.

In this regard one of the year's key developments was the Pope's success in pulling the rug out from under the Third Ecumenical Conference held on Oct. 5-7 near Trento, Italy, where appeasement-minded Catholic clergy were preparing to eliminate the *Filioque* principle contained in Latin versions of the Nicene Creed. The *Filioque* asserts the co-equal role of the Son with the Father in the ongoing process of Creation. This point of doctrine has been the basis for the unique *republican* achievements of Western Judeo-Christian civilization, pivoted on the necessity of technological progress. The *Filioque* is the point most ferociously rejected by the Russian Orthodox Church, for exactly that reason.

U.S. election mandates Mutually Assured Survival

by Charles Stevens and Carol White

Nineteen eighty-four was the year in which the United States made a decisive shift away from the policy of Mutually Assured Destruction, a policy with the appropriate acronym MAD. The Strategic Defense Initiative (SDI) emerged as the centerpiece of a shift in U.S. military doctrine away from the 20-year-old, failed posture of "deterrence"—based on the stockpiling of offensive nuclear weapons and the false belief that general nuclear war is out of the question—and back to a classical concept of war planning that includes both the "sword" of offense and the "shield" of defense. Further, the SDI became the major issue in the U.S. presidential campaign, and internationally.

On March 27, Secretary of Defense Caspar Weinberger announced the appointment of Lt. Gen. James Abrahamson to a newly created post: director of Strategic Defense. At that time Weinberger stated that the SDI had "a very, very high priority, one of the highest priorities of the administration and of this Department."

Typically for an election year, at many points President Reagan appeared to be veering toward a deal with the Eastern Establishment defenders of MAD—Henry Kissinger, McGeorge Bundy, Robert McNamara. On each of these occasions, the polls indicated a sharp dip in the President's popularity. Independent Democratic presidential candidate Lyndon LaRouche, in many of his 15 national television broadcasts during the campaign, explained the crucial importance of the SDI and denounced the Soviet agents of influence in Washington who are trying to block it. Only after the second

Mondale-Reagan debate, when the President unequivocally reiterated his support for the Strategic Defense Initiative, was the election "in the bag" for him. His landslide victory was unquestionably a mandate from the American people for the SDI.

President Reagan and Defense Secretary Weinberger have been at pains to insist, contrary to Soviet inspired propaganda, that the SDI is not a program for the defense of the United States at the expense of its allies. Weinberger reiterated this in a press conference on Dec. 19, emphasizing that the security of the United States is inseparable from that of Europe. The Strategic Defense Initiative, in fact, will make it possible to defend Europe against intermediate-range ballistic missiles, like the Soviet SS-20s. President Reagan has offered to share the technology with the whole world, Weinberger said, adding that he and the President hoped the allies would join the effort.

As we go to press, Britain's Prime Minister Margaret Thatcher is on her way to meet President Reagan, and appears to be primed to plead the Soviet case against the SDI—on behalf of herself and President François Mitterrand of France. But in opposition to this, Defense Minister Manfred Wörner of the Federal Republic of Germany called the Strategic Defense Initiative a *fait accompli*, a reality which Europeans must accept and adjust to.

One positive indication of the potential for practical cooperation in developing beam weapons among the Western allies, was the German development of tactical lasers, an-

nounced in March, which would be used to blind enemy sensors and range-finding equipment—to a range of 20 kilometers. These are scheduled for battle readiness in five years, and they will be upgraded to target helicopters and other aircraft. It is capabilities such as these which must be called upon to realize the goal of making the SDI and defensive planning a strategic reality for the whole of NATO.

The Soviet countermobilization

Over the year, the Soviet campaign against the SDI has heightened to the point of hysteria, both through Moscow's official spokesmen and through its agents of influence in the West—not least presidential aspirant Walter Mondale and his controller McGeorge Bundy. This despite ample published documentation that the U.S.S.R. has systematically violated the SALT treaties and the ABM Treaty; for example, it has five antiballistic-missile radar installations in place and one more under construction. These phased-array ABM battle management radar stations are located at various sites in the Soviet Union.

According to Secretary Weinberger, the Soviets have spent more on defensive than on offensive weapons since they signed the ABM treaty in 1972. Western intelligence estimates are that they are now at the point of deploying a new defensive system against aircraft and many kinds of ballistic missiles. While the CIA was warning of this at the start of 1984, at year's end the official estimate put off a significant Soviet breakthrough for from three to five years. General Abrahamson told the West German newspaper *Die Welt* in an interview published on Dec. 1 that he had a Soviet report in his possession, written in 1982, which surveyed the full scope of a layered laser-beam defense system, including x-ray lasers. Abrahamson concluded that the Soviet Union is ahead of the United States in at least some of these areas by now.

The United States has the capability to put in place at least a rudimentary defensive weapons system in the next two to three years. A fully effective antiballistic-missile defense would be a multi-layered system which would attack missiles at every point of their trajectory, from the boost to the terminal phase, but even a first-phase, transitional defense system could be a significant deterrent to Soviet aggression since it would add an element of incalculability to their strategic planning.

In an effort to deflect the Reagan-Weinberger momentum, actual opponents of laser defense weapons, such as High Frontier's Lt. Gen. (ret.) Danny Graham, are now claiming credit for the Reagan election victory and the Weinberger defense program. Henry Kissinger too has gotten into the act, delphically claiming to have been converted to support for the SDI—but only as a bargaining chip in disarmament negotiations. In a syndicated column published on Sept. 23 he wrote: "I was less than enthusiastic about President Reagan's 'star wars' speech when I first read it. . . . [A] foolproof

defense of the civilian population that seemed implied by the 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. . . . 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."

Kissinger's kookish physicist friends from the Union of Concerned Scientists (UCS) have maintained a more open posture of opposition to the SDI, although their so-called scientific objections to beam weapons have all been shot down. One of the authors of a UCS anti-beams report, MIT's Ashton Carter, was commissioned by the congressional Office of Technology Assessment to prepare a report for Congress attacking the SDI. This incompetent exercise in pro-Soviet propaganda was released on April 14. It has been refuted in detail by Los Alamos laboratory scientists, among others, as was reported in the pages of this magazine ("New anti-missile capabilities show 'Star Wars' foes are lying," Oct. 9).

For its dependence upon the big-lie technique perfected by Josef Goebbels, the OTA document can only be compared to the statements of Soviet scientists such as Academician Yevgenii Velikhov, the vice-president of the Soviet Academy of Scientists and head of the U.S.S.R.'s laser program. Radio Moscow featured him in a series of interviews beamed to North America, in which he said: "Is it possible to create a real defensive weapon based on some new physical principles? The conclusion is that no, this cannot be done."

Such assertions have been systematically discredited, forcing the opponents of beam defense to shift their ground. Now we are told that beam weapons are too expensive. This of course, is part of the broader fight to strip U.S. war-fighting capability by forcing cuts in the military budget. President Reagan's January 1984 budget request of \$1.78 billion for the SDI (through DoD financing, the national laboratories actually get some hundred of millions of dollars more) was whittled down to \$1.4 billion. The present budget calls for \$3.8 billion to go to the Department of Defense for beam-weapon research.

An adequate allotment would be scaled up from \$5 to \$10 billion next year and \$20 billion thereafter. But even without these funding levels, the program is moving ahead. Secretary Weinberger has announced that he will be contracting for feasibility studies from industry during 1985. Operationally, the laser defense program has now been unified and a Space Command has been set up directly under the Joint Chiefs of Staff and the Defense Department, doing away with overlapping commands in the separate forces. As part of this unification, the advanced early warning system has been placed under this command.

The x-ray laser

The extent of the scientific breakthroughs of the past year can be seen dramatically in the case of the x-ray laser. Until 1983, the very existence of an x-ray laser beam-weapon development program was classified "top secret"—even the words *x-ray laser weapon* were classified top secret and no one actually working on x-ray lasers was allowed to publicly pronounce them.

Then in May 1984 Los Alamos National Laboratory made public its report refuting the Office of Technology Assessment's anti-beam diatribe. The Los Alamos report, "Comments on the OTA Paper on Directed Energy Missile Defense in Space," discusses in some detail both the basic science of x-ray lasers and their potential defense deployments.

Later in the year, scientists from Lawrence Livermore National Laboratory were quoted on the public record detailing how x-ray lasers could be deployed within five years for defense against submarine-launched missiles and further developed to penetrate the atmosphere for interception of new, fast-burn ICBM boosters and for extremely long-range intercepts of missiles from deep space. Livermore also presented the details of a laboratory x-ray laser demonstration at the fall meeting of the American Physical Society's Plasma Physics Division.

These revelations have reached the point where even the leading critics of beam weapons from the Pugwash Conference circuit have been forced to admit that the x-ray laser has been demonstrated and that it has the potential of efficiently destroying the existing inventory of Soviet ballistic missiles. (The critics now argue instead that it is impossible to either further improve existing beam weapons or develop new ones which could efficiently intercept improved Soviet missiles.)

On Dec. 13, 1984, *Defense Daily* reported that Martin Marietta and Lawrence Livermore Laboratory had completed a study "about two years ago" which concluded that "the U.S. might be able to deploy an x-ray laser anti-missile system to defend against Soviet Sea Launched Ballistic Missiles (SLBMs) in five years . . . at a cost of \$12.6 billion . . . with existing off-the-shelf technology in every respect" save the x-ray laser itself.

Even though the missiles carrying "pop-up" x-ray lasers are only fired into space once an offensive missile launch has been detected, they are cost effective. Dr. George Chapline, who won the 1983 Department of Energy Lawrence Prize for his work on the x-ray laser, estimates their cost at \$2 million. This is probably a high estimate. In a reply to anti-beams activist Dr. Hans Bethe published in the August *Laser Focus*, Chapline wrote: "Bethe says that the cost estimate of \$2 million for an x-ray laser weapon is 'complete nonsense.' He mentions that a submarine launched vehicle might cost \$30 million, but fails to mention that one could put a dozen or more x-ray laser weapons on a single launch vehicle."

The success of an x-ray laser depends upon narrowing the divergence of the beam. The original bomb-powered x-

ray lasers were of a low quality, with significant incoherence and a large divergence. But recently, scientists from Stanford University have built x-ray "mirrors" which can reflect up to 70% of an incident beam. Using these focusing devices allows the creation of a well-focused, coherent x-ray laser pulse at low power levels. The next step will be to amplify these by such systems as the Livermore free-electron laser amplifier, which will maintain its tight focusing and quality.

While most of the information regarding the development of x-ray lasers for defense is classified, there have been important breakthroughs in the non-classified domain which are also relevant to the development of a beam-defense capability.

Open scientific papers from Livermore Laboratory and the Princeton Plasma Physics lab have appeared recently which demonstrate that the development of x-ray lasers for diagnostic purposes is progressing rapidly. They report major scientific applications of x-ray lasers in the early stages of preparation, such as utilizing them to make three-dimensional, atomic-scale pictures of living cells (x-ray microholograms) and to probe for the first time dense thermonuclear plasmas.

Such a capability will be critical in future stages of beam-weapon development, when a missile "kill" will depend upon careful "tuning" of shots, rather than upon the delivery of a knockout blow. At that point microholography will be an essential diagnostic tool, to determine such things as metal fatigue on the microscopic level.

While previously x-ray lasing depended upon a nuclear explosion, now for the first time Livermore has reported achieving x-ray lasing by non-nuclear means. Using their Novette laser, they irradiated thin foils of Selenium and Yttrium with visible wavelength laser pulses. Princeton researchers have reported similar results. They have generated lasing from magnetically confined carbon plasmas with carbon-dioxide laser pulses.

'Conventional' lasers

In terms of both ground- and space-based laser beam weapons, the short wavelength excimer lasers are prime candidates. These lasers operate at the shortest wavelength with which ordinary optical technology—mirrors and lenses—are currently compatible. The term "excimer" refers to an excited molecule which is responsible for generating excimer lasing. Intense electron beams or x-rays can be used to generate these excimers.

Los Alamos reported the operation of a full-scale krypton fluoride (KrF) excimer laser module, and stated that construction of a full-size prototype system—consisting of 20 or more such modules—could begin in 1985 if funding were forthcoming.

Another important development is in laser pulse compression, which amplifies the power of the laser pulse, making it more lethal and reducing the problem of holding the laser onto a target, since it kills the target within a small

fraction of a second. One method used is called "multiplexing." The laser beam output is amplified 20 or 30 times in power through splitting the beam into many pulses and stacking these pulses in space and time by using many correctly spaced mirrors. Full-scale demonstration of multiplexing should come in early 1985. Multiplexing can be combined with techniques of phase conjugation and Raman pulse compression to further amplify and improve the quality of excimer laser outputs.

KrF excimer lasers would be space-based, while xenon-chloride and xenon-fluoride excimer lasers are leading candidates for ground-based laser weapons operating with orbiting mirrors.

Free-electron lasers

Developments in 1984 show that "free-electron laser" (FEL) technology is becoming mature for both ground basing and possible space basing.

The Dec. 13, 1984 *Defense Daily* quotes Dr. Lowell Wood of Livermore: "One particularly interesting [non-nuclear strategic defense system] . . . involves the use of large lasers located on the ground with mirrors in space focusing their beams onto attacking missiles with lethal results. A handful of such lasers, probably having an aggregate cost of about a billion dollars, working with a small number of mir-

rors thrown up into space by small but powerful rockets when onset of strategic war was detected, might completely defeat even a massive attack in a highly reliable fashion. . . . Such a system could even more readily defeat attacks carried out with bombers and cruise missiles, thereby completing a robust defense against all present forms of large-scale nuclear attack."

Such a potentiality is opened up by the free-electron laser amplifier. This would allow conventional lasers to be scaled up in power by three to four orders of magnitude.

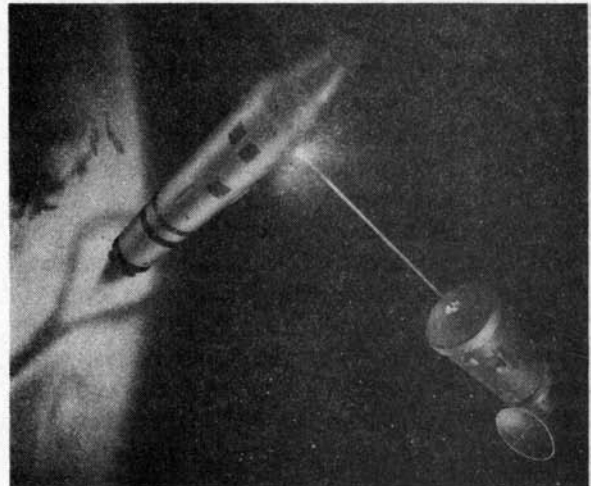
For the first time, in the fall of 1984, Livermore Laboratory demonstrated high-power amplification with a "pure" FEL system. The device was powered by their experimental test electron beam accelerator (ETA). A 30,000-watt microwave input pulse was amplified to 80 million watts. In 1985 the device will be tested on the Livermore Advanced Test Accelerator (ATA) at higher powers. The larger ATA will extend this result to infrared wavelengths (100,000 Angstroms) and 100 billion watt power levels.

The more than three order of magnitude amplification translates into a corresponding reduction in the demands made for target acquisition or optics. The normal one to two seconds that a conventional laser must remain on its target, can be significantly reduced while the tolerance for divergence allowable for the beam is increased.

Scientific breakthroughs of 1984 in beam defense

Among the highlights of the past year's developments in scientific research were:

- 1) Testing of x-ray lasers, which once perfected will be able to remain precisely and brightly focused for vast distances;
- 2) Demonstration of short wavelength excimer lasers, including the krypton-fluoride excimer laser module at Los Alamos National Laboratory;
- 3) Demonstration of two varieties of free-electron laser—one high-powered laser that could be deployed in two years. These can be "tuned" to maximize their lethality against the target;
- 4) Development of well-focused neutral particle beams;
- 5) Demonstration of high-energy elementary particle beams (muons) against nuclear warheads;
- 6) Demonstration of the propagation through the atmosphere of high-energy particle beams;



- 7) Demonstration of conventional ABMs—missile-intercept in space (HOE) and in the atmosphere;
- 8) Demonstration of missile protection systems—advanced infrared missile detection systems;
- 9) Full development of techniques for propagation of laser beams through the atmosphere (phase conjugation and adaptive optics).

Performance would be significantly increased by building betatron accelerators, specifically engineered to the free-electron laser amplifier, as opposed to the present test accelerator configurations. Utilizing advanced betatron e-beam accelerators, FEL-excimer laser systems could be built at a cost of less than \$300 million, according to Livermore studies. A full-scale prototype betatron accelerator is now being completed at the Naval Research Lab.

The free-electron laser amplifies laser light by passing the light through an electron beam that is rotating at a frequency related to the laser wavelength. It is an excellent example of the harmonic relationship between light and matter.

The free-electron laser itself, as opposed to the FEL amplifier, promises to provide in one device a means for efficiently generating coherent beams of electromagnetic radiation over a wide range of wavelengths. In its full potential, the FEL promises to provide a means of tuning to any desired wavelength, at extremely high power levels and with efficiencies greater than 50%. These characteristics make the FEL an ideal fusion driver and beam weapon.

Though currently operated at low power, the FEL laser being developed at Stanford University and in France, at Orsay, has also demonstrated significant progress.

Particle beams

While lasers and microwave generators produce electromagnetic waves which travel at the speed of light, particles beams, when ionized, can be accelerated to at least one-third the speed of light via electric and magnetic force fields. Laser and microwave pulses can also be used to accelerate charged particles. Theoretically, it is possible to accelerate a single atom to such an energy that it would have the momentum of a freight train. But even at the far lesser energies now achievable, these high-energy particles appear to be the potentially most efficient of beam weapons.

Since charged particles are affected by the earth's magnetic field, it is desirable to electrically neutralize ion beams after they have been accelerated to desired energy level.

The neutral particle beam (NPB) accelerator offers a very lethal type of space-based defense against nuclear-armed missiles which could be deployed by the 1990s. In this device, electrically charged ions are first accelerated to high energy and then neutralized so that they form a lethal beam which is not deflected by the earth's magnetic field. Since there is no practical way of preventing the high-energy atomic particles from penetrating missiles—in fact these particle beams can be “tuned” in terms of their energy for penetration to any desired depth into the missile—there is no defense against them. Also, they can be extremely efficient in destroying missiles since they can deposit their energy within the electronic systems of the missile and warhead.

A recently published study by Livermore demolishes the claim of critics such as the OTA that NPBs could not be well focused. The currently utilized method of ion-beam neutral-

ization involves passing the beam through a gas cell in which the ions are neutralized through atomic collisions. This method of neutralization always leads to a large scattering of the beam, limiting the NPB to short ranges for missile kills. But the Los Alamos study reported that this “is an important limit only to the particular means of neutralization discussed by the OTA. There are several other schemes that can produce much smaller divergences.”

Electron beams

While the Livermore ETA and ATA electron-beam accelerators are important test beds for development of free-electron lasers, they are also ground-based terminal defense systems themselves. ATA has been conducting crucial experiments to demonstrate that electron beams can be shot through the earth's atmosphere and thus used to destroy any nuclear warheads which make it to the United States. The same electron beams which would be used to power FEL lasers could also be used for terminal defense.

Microwave and super-EMP

The almost continuous advances in microwave generation over the past decade achieved with microwave generators, both in terms of efficiency and power output, has led to a situation where even revolutionary developments in this field do not attract significant attention. Microwaves, which are electromagnetic waves in the range of a billion to millions of Angstroms wavelength, can be used to destroy missiles either directly through disruption of their electronics, or indirectly through utilizing them in combination with other beam weapons.

The most powerful form of microwave generation occurs with the explosion of nuclear weapons in space—the so-called electromagnetic pulse generation (EMP). Significant advances in understanding the interaction and generation of microwaves by magnetic plasmas over recent years have led to vast increases in both the power and efficiency of microwave generation. This is demonstrated in the success of the use of microwaves for maintaining electrical currents in tokamak magnetic plasmas and for various applications on magnetic mirror plasmas. Significant progress in using e-beam plasma injection for microwave generation and magnetic plasma amplification of microwave pulses has been made in 1984.

The practical implications for beam defense of these developments can be judged by the following statement by Dr. Lowell Wood, as reported in the Dec. 13, 1984 *Defense Daily*: “Even more striking prospects are being seriously studied. One contemplates the functional (and perhaps physical) destruction of entire fleets of ICBMs with a single weapon module lofted by a single defensive missile. Each of these primary prospects has significant, albeit early, experimental results behind them at the present time. They are not dreams, nor are the corresponding applications studies naive.”

Conventional ABMs

Target detection and tracking are far more difficult tasks for conventional ABM systems than for lasers and particle beams. For ABM missiles to intercept offensive missiles is like shooting a bullet with a bullet, while in the case of relativistic beams, the targets are virtually standing still, since the beams travel near the speed of light—186,000 miles per second—while the missiles have a maximum velocity of 7 miles per second. The capability of intercepting ICBMs with ABM missiles, as demonstrated in the test of two systems this year (one in space and one in the atmosphere), is important mostly because it demonstrates that the targeting capabilities needed for beam weapons already exist. (The problem of aiming beam weapons over thousands of miles is still significant, but with the realization of more powerful systems which kill missiles within a small fraction of a second, this problem is greatly simplified.)

On June 11, the Army Ballistic Missile Defense program succeeded in experimentally demonstrating an actual missile intercept of an ICBM in space with the Homing Overlay Experiment (HOE). HOE utilizes an advanced, long-wavelength infrared telescope to locate and guide a missile interceptor toward an ICBM in space. The target detection, pointing, and tracking system needed for this type of intercept is far more difficult than required for beam-weapon intercepts.

While the HOE tests were being carried out, successful results were achieved with the Small Radar Homing Intercept Technology (SRHIT) at White Sands. SRHIT is the terminal defense counterpart to HOE and involves the interception of ICBMs as they re-enter the Earth's atmosphere. The pointing and tracking systems used on the F-16-launched anti-satellite intercept missile were also demonstrated in key tests in the fall. This infrared target detection and tracking system utilized is also applicable to beam systems.

All of these systems demonstrate that conventional types of ABM missile defense could be deployed today. They also demonstrate that the type of command and control and target detection, pointing, and tracking needed for beam-weapon defense either already exists or is being rapidly developed.

Laser-light propagation

Major progress has been made in the science of atmospheric propagation of laser light. This is important for using lasers within the atmosphere as well as for those ground-based systems which must travel through the upper atmosphere to reach relay and focusing mirrors orbiting in space. Many atmospheric effects, such as absorption, turbulence, and refraction, tend to defocus, distort, degrade, and deflect laser-light pulses. There are three major methods of overcoming these effects: pulse shaping, adaptive optics, and phase conjugation.

Pulse shaping changes the intensities within the light pulse so that when it interacts with the atmosphere, it either becomes a better laser pulse or it prepares the way for another

pulse to traverse the same trajectory. Adaptive optics are often combined with pulse shaping.

To picture how this works, think of using a "rubber" mirror. Once one light pulse has transversed a path through the atmosphere, its distortions can be readily measured—in fact, this is an important method of measuring the distribution of physical properties of the atmosphere, such as temperature and pressure. The "rubber" mirror becomes deformed in such a way that it can effectively counter these distortions of the laser pulse which "mirror" the effects of the atmosphere.

Phase conjugation is also an important method of amplifying laser pulses. But it also removes optically introduced distortions. In general, phase-conjugation systems consist of a gas medium and a second, much smaller laser. The high-power laser pulse and the second, less powerful laser pulse are simultaneously directed into the gas chamber. The second pulse acts like a mirror traveling at the speed of light. It scoops up the first pulse and reflects it out of the chamber. The first pulse is compressed and optically "smoothed" out in the process.

Target detection, tracking, and pointing

While many of the requisite capabilities needed for beam weapons already exist, even better systems are rapidly being developed. The most powerful of these are those based on the beam weapons themselves, that is, the same lethal beam which can destroy a missile, when defocused so that it covers a huge area, can also be used to detect, locate, and track targets. Infrared lasers are particularly useful because they can be utilized like radar.

This is laser radar, called lidar. More powerful beams, such as x-ray lasers, can be used not only to see but literally "feel out" targets. In this case, the defocused laser pulse is still powerful enough to cause detectible motion of the reentry vehicle. In this way, a real RV can be distinguished from a decoy. Also, beams can be used to highlight targets, so that detectors working at other wavelengths can more easily find and track a given target.

Major advances in optical processing of information are also being realized. This will permit very small satellites to operate both as long-range detectors and battle command posts. The idea here is that, instead of electronically analyzing sensor inputs, the data is maintained as an optical image and compared with known images of desired targets. This functions very much like fitting the right shaped block into the right hole. First the sensor input is transformed to a laser pulse which mirrors the intensities of the original sensor "picture." Then the laser pulse is transformed into a "picture" which shows rotational features as opposed to linear displacements. This new picture allows the picture to be optically compared with known targets without regard to perspective. What would ordinarily take a massive computer many minutes can be accomplished through optical processing almost instantaneously.

Three groups contend for Democratic leadership after Mondale debacle

by Mel Klenetsky

On Nov. 6, election day in the United States, radios blared nationally of high voter turnouts. A general hatred for Mondale and the legacy of the Carter-Mondale administration led to this turnout. Post-election Harris polls zeroed in on the second Mondale-Reagan debate and the President's commitment to the Strategic Defense Initiative, which included an offer to the Soviets to jointly develop this plan, as a crucial turning point in giving the President his overwhelming mandate.

Reagan's sweeping victory over Walter Mondale, with electoral college returns of 525 to 13, set an all-time record. Reagan chalked up 49 states and 59% of the popular vote. To say that the Democratic Party leadership of Manatt, Mondale, and Kirkland (the Averell Harriman faction) had lost touch with the electorate almost seems simplistic. Yet the Harriman wing has every intention of pursuing the policies that were developed by the Eastern Liberal Establishment in a series of reports issued by the New York Council of Foreign Relations, known as *Project 1980s*.

Today the Democratic Party is in shambles. There are basically three policy groupings in the Democratic Party, the last two of which will be contending for control of the electorate in the months ahead: 1) the followers of the late Sen. Henry Jackson, whose moderate, pro-defense constituencies have forced these Democrats to contest the nuclear freeze pro-Soviet stance of the Manatt-Mondale grouping; 2) the Harriman wing of the party, which is pro-freeze and out to destroy this country as an agricultural and industrial superpower; 3) the LaRouche Democrats, whose candidates' movement poses a serious threat to the current leadership of the Democratic Party.

The Scoop Jackson wing

This grouping of mostly southern and some western Democrats has found itself more and more disillusioned by the thug tactics of the Manatt-Kirkland crowd. In 1980 this was the "Boll Weevil" group that blocked with Reagan. Now people like Rep. Charlie Stenholm of Texas have talked about challenging Tip O'Neill for leadership of the House, although Stenholm quickly withdrew.

Some of these Democrats have, either formally or in effect, joined the Republican Party: Texas Sen. Phil Gramm; Dixy Lee Ray, the ex-Governor of Washington who was prominent in the Democrats-for-Reagan effort; and Jeanne

Kirkpatrick, Reagan's U.N. Ambassador. The remaining regular Democrats such as Louisiana Governor Edwards and Texas Governor Mark White are concentrating on statewide operations, while stating, shortly after Nov. 6, where they think the national party should go.

White spoke of the need to broaden the Democrats' traditional base of support to the job-holder as well as the unemployed, and to take a stronger position on defense. Edwards acknowledged that the Reagan victory showed a trend toward more conservative candidates and called for the Democratic Party to become more responsive to the Middle American approach to politics, government, and lifestyle. Even Bill Belk, the president of the Young Democrats of America, who saw Reagan outpoll Mondale 2-1 among young people, was very critical of the left-liberal control of the Democratic party through the DNC. Belk complained that the Democratic Party has not modernized its thoughts and that House Speaker Tip O'Neill, Jr. is out of touch with the majority of Americans.

This grouping recognizes the shortfalls, dangers, and even treachery of the Harriman Democrats. But it has neither the program, the national political machine, nor a national political figure that can rally the 70% of the Democratic Party disenfranchised by the Manatt-Harriman crowd. Nor do the Harrimanites have any intention of letting this grouping have a share in power—as the fight for the new DNC head will show.

The Harriman Democrats

From the Democratic 1982 Midterm Convention in Philadelphia, when Pamela Harriman & Co. took over writing the Democratic Party Platform on population control, disarmament, and deindustrialization, the familiar litany of post-industrialism has become the Democrats' official theme. The fact that the American electorate rejected this nonsense in the 1980 presidential race has not deterred this crowd from continuing to move toward institutional control.

The regular Democrats of the 1950s-1960s have been disenfranchised since the 1972 McGovern Reforms. Reagan captured the votes of these disenfranchised Democrats in 1980 and again in 1984. Starting in 1980, despite Carter's resounding defeat and mass defections of Democrats to the Republicans, DNC head Manatt, along with Lane Kirkland, the head of the AFL-CIO labor confederation, and Mondale, renewed the thug tactics of the Carter years to secure more absolute

control of the Democratic Party. The new ingredient was Kirkland handing over organized labor to the Harrimanites.

After Carter's defeat Kirkland had an overall plan which was perfectly willing to sacrifice both organized labor and the party to further the geopolitical deal that was struck between the Soviet Union and its agents of influence in the party. By September 1983 that deal was made public, when Manatt insisted that every Democratic presidential candidate must endorse the Soviet-sponsored nuclear freeze movement. It was at this point that patriotic Democrat, Lyndon H. LaRouche, made his decision to run for the Democratic Party's presidential nomination.

To help this process, Kirkland first brought the United Auto Workers union into the AFL-CIO. Then he established a multimillion-dollar war-chest for COPE, the AFL-CIO's political action committee. Finally, he rammed the early endorsement of Mondale down the throats of organized labor despite the objections of many in the Maritime and Building Trades sectors.

Kirkland's unprecedented act, which violated labor's previous policy of not committing itself to any candidate before the nomination, proved how little control the Kirkland leadership has over the 13.7 million-member labor federation. Kirkland's mobilization of labor cost an estimated \$40 million. He personally campaigned across the country in a two-week get-out-the vote operation leading up to Nov. 6. In 1964, 73% of labor households voted for Democrat Lyndon Johnson. Carter got 50% in 1980. *Despite* Kirkland's huge effort, Mondale did about the same as Carter, garnering 53% of labor households.

During Mondale's year-long effort to secure the nomination, the weaknesses and fissures in the Democratic Party came to the fore. To the Kremlin, the Democratic Party Platform was a dream. It called for canceling the MX and B-1 programs, instituting a nuclear freeze, opening negotiations with the Soviets to withdraw the Euromissiles, and eliminating weapons in space—Reagan's Strategic Defense Initiative. The platform upset Middle America by advocating "reproductive rights" for women and "equal justice" for homosexuals. This platform, under the guiding hand of Mondale, the frontrunner candidate, and Geraldine Ferraro, who chaired the Platform Committee, actually embraced a "right to sodomy" plank otherwise known as anything goes.

The Harriman wing's dedication to "anything goes" became crystal clear to the American public as the scandal surrounding vice-presidential candidate Ferraro and her slum- and smut-lord husband, New York real-estate speculator John Zaccaro, spread. According to *New York Tribune* articles, Zaccaro was manager and part-owner of a building which housed a major pornography distribution center linked to the DeCavalcante and Gambino organized crime families. The building housed Star Enterprises and other pornography operations disseminating such hardcore filth as *Whips and Chains*, *Screw*, and *Smut* magazines.

Undaunted by the humiliating defeat of the Mondale-

Ferraro ticket, the Harriman wing is moving to secure the chairmanship of the Democratic National Committee on Feb. 1 from outgoing chairman Manatt. Every choice reflects one of the groups associated with the left-liberal dogma of Pam Harriman's minions.

Paul Kirk, the DNC treasurer, a close ally of Sen. Edward Kennedy, is currently the frontrunner. Robert Keefe, a Washington political consultant, is close to Harriman-controlled Party wheeler-dealer Robert Strauss. Nancy Pelosi, former California State Party chair, is a Manatt enforcer who was assigned to block the influence of LaRouche in California. New York's Governor Cuomo, a rising star of the Harriman stable, has endorsed Pelosi.

Other choices include Sharon Pratt Dixon, a DNC member from the District of Columbia who is with Jesse Jackson's machine. The recent Jackson/Black Congressional Caucus/Anti-Defamation League promotion of the anti-apartheid demonstrations is an attempt to put together the old civil rights combination, to stop the growing influence of the LaRouche-led campaign to industrialize Africa and stop the famine there.

John Cavanaugh, a Nebraskan and former two-term Congressman, lines up with the ultra-liberal wing of the Democratic Party embodied in the Colorado Democrats around Gary Hart, who say that Mondale lost because he didn't go far enough in breaking with special interest groups like organized labor. Other Harriman clones, like George Pillsbury, of the Pillsbury family, connected to Swiss-run Minneapolis grain cartels, want to "green" the Democratic Party—in other words, turn it into an equivalent of the pro-fascist, anti-growth Green Party of West Germany. As reported in *EIR* Nov. 13, Pillsbury foresees the party's shedding its conservative half whereupon the "progressives" will adopt a full-fledged Green program (cf. p. 42). He sees Mario Cuomo and Jesse Jackson as the torchbearers of this movement.

The LaRouche Democrats

Since the Boll Weevil grouping lacks a perspective for securing the leadership of the Democratic party, only the movement that the LaRouche Democrats have initiated presents a viable option for rebuilding the Democratic Party. In 1984 more than 2,000 candidates were backed by the National Democratic Policy Committee (NDPC), the fastest-growing political action committee in the Democratic Party. Lyndon LaRouche, former chairman of the advisory committee of the NDPC, headed the slate with his presidential campaign (see page 7). Today, LaRouche Democrats are rebuilding the civil rights movement and regularly rallying in Washington, D.C. on a program of support for Reagan's beam policy and feeding a starving Africa. Farmers, civil rights leaders, trade unionists, and other traditional Democratic constituents have joined this growing movement. As the candidates' movement of 1985 gets off the ground the Harriman Democrats will find themselves in a head to head battle for control of the Party with the LaRouche forces.

Lifting the veil from the oligarchy

by Vin Berg

The political writings of Nicolo Machiavelli are informed by a most important insight: The evil in the world is organized evil; it has a name and a nature, which if known, will enable one to defeat it.

The New Benjamin Franklin House published three books in 1984 which name that organized evil as oligarchism, and these books together constitute a thorough profile of its history and modern shape.

An oligarchy in the classic sense is a cabal of wealthy and powerful families—wealth and power usually hereditary to some degree—complemented by vast, institutionalized networks of “retainers.” The oligarchy rules on the imperial, looting model by methods featuring manipulation of peoples and states against one another. Anton Chaitkin’s *Treason in America* (“From Aaron Burr to Averell Harriman”) establishes that America’s fabled Eastern Establishment is just such an oligarchy, one which has been dedicated to America’s destruction as a sovereign nation-state since the time of the Revolution.

Chaitkin lifts the veil on this so-called Establishment and its British oligarchical patrons, and reveals the country’s true history in the process, exploding the myths that dominate modern American politics (“current history”). How many Americans today insist on defining the essential distinction in politics as that between “left” and “right”? How easily the Eastern Establishment media have thus been enabled to manipulate Americans’ perceptions of reality. Consider, to select only one example, how the Boston “Brahmin” banking families and their New York associates—who made their fortunes in the slave trade and the British opium trade—created and financed both the New England “Abolitionists” and the Southern secessionists in the period leading into the Civil War, by which they almost succeeded in destroying the United States.

That was not a temporary aberration of these “blue-bloods.” As Chaitkin demonstrates, treason has been their uninterrupted course from the colonial period to the present.

Harriman family members, for example, railroad “robber barons” and leading usurers of banking in the 19th century,

were the principal international sponsors of the Eugenics Movement in the 20th century—more commonly known today as “Nazi race science.” Averell Harriman, former New York governor, former ambassador to Moscow, scion of the Democratic Party’s “liberals,” announced in 1933 that he considered the rise of Adolf Hitler to power in Germany “a personal achievement.”

Harriman was not boasting. The oligarchical-financier holders of the German debt combined their financial control from New York, London, and Zurich to build the Nazi movement in Germany. This is extensively, irrefutably documented in *The Hitler Book*, edited by Helga Zepp-LaRouche and published for the Schiller Institute.

Detailed is the role of the Harriman, Rockefeller, Morgan, Astor, and other families’ “retainers,” the Dulles brothers, for example, who used the financial safehouses of the “black nobility” in Switzerland to bring the creation of the Princes Thurn und Taxis—Adolf Hitler—to power, and used the same Swiss institutions to finance the Third Reich right through the war, and to preserve German intelligence assets for a Nazi International in the postwar period.

Another of the leading myths befuddling Americans today is that of Soviet “Communism.”

Historian and British intelligence head Arnold Toynbee published theses in 1925, advising the Anglo-American oligarchy to view Russia’s Bolsheviks as also an oligarchical party, of merely a peculiarly Eastern cultural type, with whom an historical accommodation for world empire could therefore eventually be reached. He was making the point most difficult to grasp for the average American patriot.

As in the “New Yalta” pact with the Kremlin which Lord Carrington has based on Toynbee’s theses, the oligarchies of West and East have common aims—in that their only commitment is to a feudalistic imperial order in the world; nation-states, centering on today’s United States, must be destroyed. They also have conflicting aims in that their racism demands that their oligarchy alone should rule.

Lyndon LaRouche’s little book, *Imperialism: The Final Stage of Bolshevism*, unveils the history and culture of the Russian state to establish that the Soviet variety is in fact oligarchical “communism” rooted in that Russian cultural matrix appreciated by Toynbee, and typified by the Orthodox Church’s mystical belief in a “collective soul.” The great threat to Western civilization lies in the Western oligarchy’s support for Russian world hegemony, as the perceived means of returning the world to a feudal imperial order.

It is not likely, if “New Yalta” succeeds, that the oligarchy for which Lord Carrington speaks will itself survive this century, asserts LaRouche. The Russian oligarchy is not destroying the material base of its power as the Anglo-American oligarchy is. Once McGeorge Bundy’s blue-bloods were to succeed in wrecking the United States, Marshal Ogarkov’s associates would be pleased to have such “Olympian” Westerners for breakfast.

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