

# EIR

Executive Intelligence Review

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\$10.00

Moscow's pact with the German Green Party  
Colonize Mars by the year 2015!  
Traitors in Congress mutiny over SALT

## The social imperialism of Willy Brandt



# EIR

Quarterly Economic Report

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## The deflationary collapse of the Western banking system

First Quarter 1986

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The 60% collapse in the world oil price between January and March has destabilized the international financial system, and accelerated the impetus toward what has been called, "a new depression, on top of the present depression."

What should be done? The answer is simple. Impose an emergency oil import tariff now. The free-marketeers, and their Soviet friends, will scream about it, but the measure is the most readily available alternative to halt the unraveling of the bankrupt international and national financial system.

### Did you know that . . .

- **\$250 billion of U.S. banks' domestic assets will go bad, in the wake of the collapse of oil prices since November 1985.** The crash will by no means be limited to banks' loans to energy companies.
- **Conditions have been set for a general panic among savings-bank depositors,** whose \$1.2 trillion in deposits lack federal insurance backing.

- **The U.S. is on the verge of a revolution in medical technology.** But the Gramm-Rudman budget-cutters and Washington cost-accountants threaten to keep these technologies from being introduced, and are "reforming" the Medicare and medicaid system into a means for wholesale euthanasia against America's sick and elderly.

Since the fall of 1979 Lyndon LaRouche's forecasts have established a record unparalleled in accuracy by any other economic forecasting service in the nation. Data Resources International and Chase Econometrics proved unable, in the fall of 1979, to correctly forecast the consequences of the credit policy then being initiated from the Federal Reserve by Paul Volcker. LaRouche did, in the EIR Quarterly Economic Report. Those agencies, and their co-thinkers, have been repeatedly exposed as incompetent bunglers, while the LaRouche record has been maintained.

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# EIR

## From the Editor

In this week's cover story (page 22), Lyndon LaRouche takes the gloves off on Willy Brandt's brand of "social democracy." Brandt's Social Democratic Party in West Germany is openly allied with the terrorist-sympathizing, Soviet-backed Green Party, and aims to bring a government to power in West Germany, by January 1987 at the latest, that will end Germany's role in NATO.

Willy Brandt and his friends in the Socialist International are now engaged in a filthy campaign against President García of Peru. They are seeking to steer Peru's government away from its policies of fighting the International Monetary Fund and World Bank and the drug trafficking mafia—policies which have made Peru into a beacon of hope for the entire continent.

LaRouche dissects the "Trust," the name given in the 1920s to the partnership between the Russian Bolsheviks and the Western oligarchy, which is the institution behind Brandt's evil doings.

The fact that no other publication is exposing this enemy of our civilization, indicates why it is crucial that *EIR* be as widely disseminated as possible, as ammunition in a fight which is now at a crossroads.

The LaRouche candidates movement in the U.S. chalked up a victory against the "Trust" in California on June 3, when LaRouche-endorsed candidate for Congress, Art Hoffman, beat the county Democratic chairman, Judge Bruce Sumner. This was after Sumner and the Democratic apparat ran a heavy, well-funded campaign of drug-lobby slanders against Hoffman and LaRouche (see page 64).

During the same week, we received word that Kenneth Bialkin, the head of the Anti-Defamation League which is the "flagship" of the illegal campaign to "destroy LaRouche," had quit his post. Bialkin had been identified on national television as linked to organized crime by LaRouche, and put on the spot for the League's illegal activities (for a hair-raising account of the Stalinist methods of the "get LaRouche" campaign, see pages 66-68).

Another aspect of the "Trust" is under scrutiny in the Jonathan Pollard spy scandal. It is now front-page news that Pollard was just a small part of massive espionage by the Israeli Mossad, covered up by U.S. officials. As the lid continues to blow off the Mossad's dirty operations for the KGB, we expect to see many LaRouche opponents in high places exposed.

*Nora Hamerman*

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## Mexican President: Dead debtors can't pay

by Hugo López and Mark Sonnenblick

Before 7,000 farmers and businessmen in Hermosillo, the capital of the Mexican state of Sonora, President Miguel de la Madrid on June 2 warned international bankers that Mexico would pay its foreign debt "according to the country's real ability to pay and without choking the national productive apparatus. This ability to pay—our creditors must be made to understand—could be maintained or even increased, which would coincide with their interests, only to the degree that they let Mexico continue growing. The dead can't pay; and the bankrupt can't be clients."

The President said, "The drop in oil prices alone has meant for us in a single year the loss of about one-third of what we export and approximately 12% of public income." Mexico paid \$2.72 billion interest during the first quarter by running down its foreign exchange reserves, which are now estimated at \$2.5 to \$3.4 billion. If Mexico were to pay the \$2 billion interest and principal due in June, there would be little left. "We have no choice; either we accept the International Monetary Fund's demands that we sell the stock of public and private companies—all bankrupt—to creditor banks or we declare a moratorium," a prominent businessman said. The decision *has* to be made during June.

Immediately after the Hermosillo speech, rumors swept Mexico City that de la Madrid had decided to limit debt payments to a percentage of export income, as pioneered by Peruvian President Alan García. The head of the ruling Institutional Revolutionary Party's (PRI) think-tank, confirmed June 4, "The PRI will propose a percentage for debt payments very soon. We don't need plans like Argentina's Austral or Brazil's Tropical. . . . There will be no more reductions in

public sector spending. . . . It is not that we don't want to pay; what happened is that we can't do so at this time. To pay at all costs would be dangerous, because less money in health or food supplies would foster epidemics or reduce the Mexican's diet." *Excelsior* newspaper columnist J. A. Perez Stuart wrote June 6 that radio and TV tapes announcing the new measures have already been prepared.

Setting a ceiling on debt service was proposed on May 23 by Adolfo Lugo Verduzco, president of the PRI, in a special session of the party executive. He sought a "historic commitment" by all patriotic forces to defend the economy.

### An 'end-game' battle

With Mexico financially prostrate and economically drained by three and a half years of brutal austerity, its creditors have moved in for the kill. Sen. Jesse Helms (R-N.C.) demanded during the Senate hearings he sponsored May 12-13, that Mexico give power to the National Action Party (PAN). Then, during the May 30-31 Mexico-U.S. Interparliamentary Meeting, Sen. Phil Gramm (R-Tex.) demanded that the Mexican government abolish its control over the economy to permit creditors to take over its industrial, agricultural, and especially mineral assets. Foreign investment, he said, "is not going into your country at necessary levels and one of the causes is the limits the Mexican government places on foreign-owned businesses."

PRI senator Martínez Corbalá revealed that the U.S. legislators demanded that Mexico turn over to its creditors its oil and government-built electrical infrastructure.

Gramm's arrogance and contempt for Mexican sover-



eignty was scarcely concealed, as he demanded that the nationalist heritage of the country give way to "free enterprise." "One thing we do right," he said, "is that our economy works well. . . . The wave, the tide of history goes in the direction of encouraging free enterprise. Your legislators are going to scream, but we know that those are not the voices of the people, but of interest groups—the voice of the few who want to gain at the expense of the others."

Gramm's message to Mexico on privatization of the economy was just like Helms' on putting the PAN in power: If you don't do it, it proves you are corrupt.

Faced with exactly the same kind of demands in a similar economic crisis in August 1982, President José López Portillo responded not by words, but by actions against what he termed "the plague of usury." He nationalized the banks; he tried to form a debtors' club, although Argentina, Brazil, and others refused to join. On Dec. 1, 1982, Miguel de la Madrid was inaugurated, and within two weeks, Paul Volcker of the U.S. Federal Reserve smilingly offered Mexico a "bailout."

Since then, a pliant Mexico has coughed up more than \$30 billion in interest payments and another \$10 billion in capital flight to the banks. In return, real wages of workers have been cut by 25-30%, as Finance Minister Jesús Silva Herzog boasted in May. With comparable cuts in government spending and the disappearance of investments, the internal market shrunk. Industries without customers and burdened with internal interest rates of over 80% for the past three years, are increasingly unable to keep operating.

Today, Mexico puts more than half its earnings into interest payments on a foreign debt of over \$97 billion.

### **The Juárez nationalist tradition**

Those loyal to no nation underestimate the power of Mexican nationalism. Mexico's patriots have begun to mobilize, as PRI President Lugo Verduzco cited President Benito Juárez (1858-72): "The triumph of reaction is morally impossible."

In a speech on June 2, de la Madrid proclaimed, "We will leave behind and below those who try to deny our nation's capacity to govern ourselves. The majorities are profoundly nationalist . . . with a nationalism which defends sovereignty with one's own blood, if necessary. . . . Only with dignity can relations be maintained between peoples."

De la Madrid committed himself to protect private industry and not to change the Foreign Investment Law. His voice rose in volume as he pledged, "Never, never, will the Mexican state, which is nothing but the social and political organization of all Mexicans, divest itself of those strategic companies without whose control we would be at the mercy of minority foreign interests." The 7,000 people who filled Hermosillo's largest hall went wild with cheers, perhaps the first spontaneous outburst of approval the President has received in his 40 months in office.

Responding to Helms' brazen demand that power be handed over to the PAN, de la Madrid said, "Democracy cannot be attained in Mexico with a so-called alternation, in which sometimes the majority rules and sometimes the oligarchy. . . . We Mexicans did not commit ourselves to democracy yesterday. . . . We did so with Hidalgo . . . the first in the Americas to abolish slavery." Mexicans know that the PAN descends from slave-owners who supported the Spanish monarchy in the past century, who wanted Hitler to "whip the Yankee imperialists," and who today are the party of the drug traffickers who huddle next to Phil Gramm under the slogan of "free enterprise."

De la Madrid made his stand in Sonora at a "national unity" rally organized in solidarity with one of his friends, Gov. Félix Valdez, who had been accused of protecting narcotics traffickers by U.S. Customs Commissioner William von Raab during the May 13 public session of the Helms hearings. This was one of the most outrageously false of the slanders voiced against Mexico by Reagan administration officials who testified.

On June 4, after President Reagan hosted the Mexican congressional delegation at the White House, his spokesman declared that the President had reiterated his "total confidence" in von Raab and had given "no apologies" for what happened at the Helms hearings.

A new round of hearings will take place June 10, 17, and 19. According to Senate sources, their main thrust will be on how Mexico's economic crisis was caused by "the mismanagement and corruption of its government."

Wall Street bankers claim that they are ready to withstand a Mexican moratorium and make Mexico suffer economic and political chaos as a result, the daily *El Financiero* reported June 6. This is the same threat Henry Kissinger wielded against de la Madrid when he entered office.

Treasury Secretary James Baker III is blandishing offers of another bailout—if Mexico heels to the conditions imposed by the International Monetary Fund (IMF) and other creditors: the total denationalization of Mexico's economy.

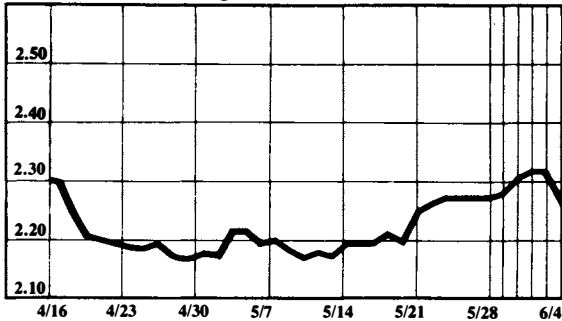
The battle over whether to accept this offer is being fought hourly in the Mexican cabinet, which is sharply split between, on the one side, those who share the approach of the PRI and most of Mexico's industrialists, agriculturalists, and all of its powerful labor movement, and, on the other, the pro-IMF technocrats whom Juárez would have shot as traitors.

For example, when U.S.-Mexican relations reached the lowest point in a generation, Interior Minister Manuel Bartlett was wined and dined by David Rockefeller and top figures from Chemical Bank, Manufacturer's Hanover, etc., at a Columbia University reception in his honor. Mexico's central bank chief, Miguel Mancera, railed on June 5 against the exchange controls which would be necessary in case of a debt moratorium.

# Currency Rates

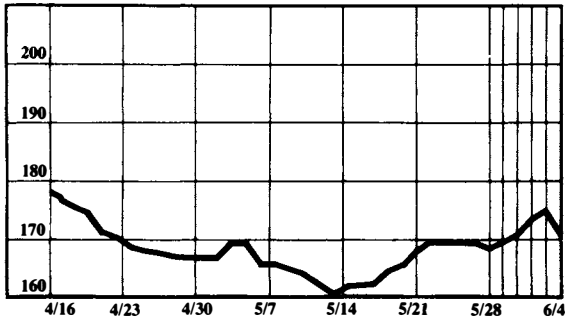
## The dollar in deutschemarks

New York late afternoon fixing



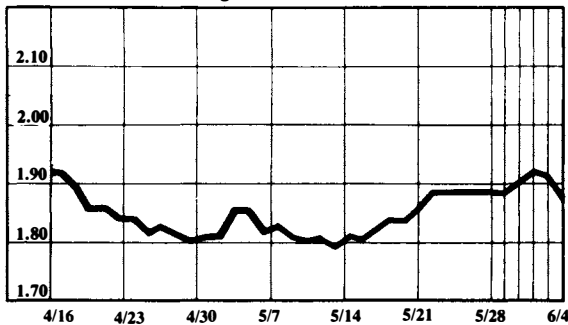
## The dollar in yen

New York late afternoon fixing



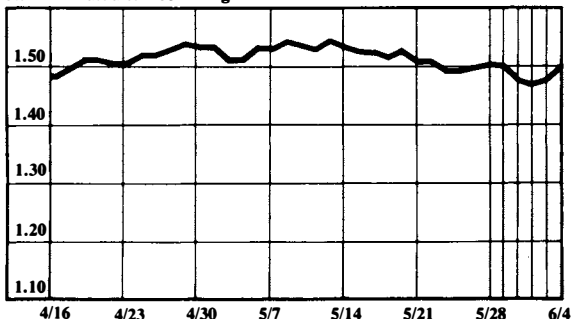
## The dollar in Swiss francs

New York late afternoon fixing



## The British pound in dollars

New York late afternoon fixing



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 NORA HAMERMAN, Editor.

*Nora Hamerman*



# Form commission to save European farms

Farmers from all across Europe met on May 31-June 1 in Ginsheim, West Germany, and announced the formation of a new agricultural commission of the Schiller Institute, to combat the suicidal farm policy of the European Community (EC), and to map out a political offensive to revive European agriculture. "If we do not implement a different agricultural policy in the European Community now," said Schiller Institute representative Uwe Friesecke in his keynote address, "we will suffer the same fate as thousands of American farmers, who have been driven off their land in recent years by forced auctions, or have been plunged into new dependency."

Attending the founding meeting of the commission were nearly 50 farm leaders, from regional and national organizations from the West German states of Baden-Württemberg, Bavaria, Hesse, and Lower Saxony; the French Federation of Agriculture; the Spanish independent farmers' organization COAG; and Danish and American farmers.

The commission's founding declaration (see below) called for European-wide solidarity among farmers to overturn the disastrous effort of the EC bureaucracy to cartelize agriculture and destroy independent family farming. Speakers outlined the depth of the crisis being faced in Europe, especially since the EC's new austerity prices and "co-responsibility levy" were imposed on "excess" grain production.

The delegates agreed to carry the new initiative back to their respective countries, to establish national organizations in the weeks ahead, and to make detailed policy recommendations on such issues as the role of farmer cooperatives, farm credit banks, and processing industries. They will meet again before year's end.

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## Documentation

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*The following are excerpts from the founding declaration of the Schiller Institute Agriculture Commission:*

The agricultural policy of the European Commission has led to a crisis in European agriculture, which, if continued, will endanger the food supply of the European population. Every third family farm in the European Community today is over-indebted, and the number of insolvent farms is growing daily. Reductions in agricultural prices this year will mean the end

for many farms. Farms that have grown over centuries and are still family-owned, face their final ruin.

We recognize that for years, the same crisis of agriculture has hit our fellow farmers, the independent family farmers in the United States. If we do not implement a different agricultural policy in the European Community now, we will suffer the same fate as thousands of American farmers, who have been driven off their land in recent years by forced auctions, or have been plunged into new dependency.

In view of the catastrophic under-nourishment of the world population, we cannot see why the most productive agricultural economies in America and Europe should be ruined by a wrong policy. With a world population of 5 billion, more than 1 billion live at or beneath the subsistence level. . . .

We therefore demand the creation of a new just world economic order, in which every nation is assured the right to a modern development of its infrastructure, agriculture and industry. Only in this context of new and expanding markets, can the solution to the crisis of agriculture finally be achieved. . . .

In European agricultural policy, we demand:

1) Immediate price increases according to the parity-price system for all agricultural products, in order to put a halt to the steady erosion of the incomes of family farmers.

2) Reorganization of the EC financial budget in the framework of European participation in the creation of a new world monetary system, which re-establishes the prerequisites for development in common and expanded trade relations of the partners, both within and outside the Community.

3) National emergency programs to save the family farms on the brink of ruin due to a wrong policy, taking due consideration of regional agricultural structures.

4) Rescinding of exaggerated environmental and hygiene regulations.

5) Disengagement of agricultural cooperatives from the banks and food chains. Uncompromising application of the Cartel Law and the laws regulating ownership of agricultural land. Legal and taxation regulations to prevent the cartelization of agriculture.

6) Disengagement of agricultural cooperatives from uncontrolled international financial interests, and reform of the cooperative system:

a) Uncompromising application of the Cartel Law and the laws regulating ownership of agricultural land.

b) Legal and taxation regulations to prevent the control of the production of agricultural products by giant conglomerates.

We urgently appeal to our colleagues in all countries and our colleagues in various associations to join in endorsing our justified demands.

We appeal to the consumers and to the consumer associations, to take up our demands as their own, because the policy of the Brussels European Commission is a direct attack against the favorable cost of current food production, and the guaranteed food supply of our populations.

## The flight-capital wars

*Brazil sprang the "Gebauer Affair" to turn the tables on the bankers.*

**B**razilian sources indicate that the sorrows of Antonio Gebauer, the former Morgan banker pilloried after \$6 million allegedly disappeared from his clients' accounts, resulted from a Brazilian government ploy to turn the tables on the U.S. Treasury. The Treasury and the commercial banks are using Ibero-America's continuing problem with flight capital to demand that these countries open their economies, privatize their state sector, and generally conduct a garage sale for creditors.

Brazil saw the chance to prove that the \$100 billion in flight capital lost by Ibero-America since 1980 was absorbed by the same creditors who are making these demands—putting the matter in a different light. Brazil is saying, in effect, "We weren't incompetent managers—you burglarized us!"

Gebauer's missing \$6 million allegedly turned up in a Morgan internal audit. It appears that the audit was prompted by complaints by Gebauer's clients in Brazil, who, in turn, were put on the spot by Brazilian authorities who had detected their illegal deposits at Morgan. Now, the Brazilian authorities are demanding full disclosure of Brazilian accounts at American banks, to the enormous discomfiture of the Treasury.

A Treasury spokesman was quoted in *O Globo* newspaper of Rio on May 28: "It is very unlikely that the U.S. government would provide Brazilian authorities with the names of Brazilian depositors in Morgan Guar-

anty Trust or any other such establishment in the United States, in case there were a formal request in that regard." He said that foreign depositors are usually not identified by countries, and that banking secrecy can only be violated in specific cases of things that are considered crimes in the United States.

That is, the Treasury has taken the same stance that the Swiss have against the United States, when the United States has sought information on criminals abroad!

Peru's President Alan García, whose debt-service limitation plan is under consideration throughout the continent, picked up on Brazil's action May 25, saying that all of Ibero-America's debt could be found in private bank accounts in the United States.

For the past several months, the Treasury has added insult to injury, demanding that debtor nations sell off national assets at prices low enough to attract capital back. Secretary James Baker had the following exchange with Sen. Richard Lugar (R.-Ind.) at hearings of the Senate Foreign Relations Committee May 20:

**Chairman Lugar:** "But how would you answer persons who would say that additional fresh money for Mexico which may be required during this calendar year, will be offset by capital that still seems to flow out of Mexico in very large amounts. On a net basis, are we assured that monies that are new and fresh are going to, on a net basis, stay and, if so, is there

enough reform at this point, in terms of the sale of the state-run industries or allegations at least of malpractice and the use of funds, to give you confidence in how we're proceeding there?"

**Secretary Baker:** "Mr. Chairman, I think the Mexican government understands very well that taking the easy course domestically might well result in an absence of new capital flows. It might not be sufficient to attract new capital flows. And until capital flight is reversed, I think frankly, the first threshold that has to be crossed by any country seeking to adjust through the adoption of growth-oriented economic reforms is to reverse capital flight. Until capital flight is reversed, there won't be additional lending. It simply will not—as far as private sector lending is concerned, it simply won't take place.

"And with regard, for instance, to Mexico, there has not been additional lending. I do believe that the government of Mexico understands realistically what is required, but the fact remains that it is exceedingly politically difficult to get there."

**Chairman Lugar:** "Well, that's true, but we're already at May and you're right, the additional capital has not been forthcoming, is there—how would we know that capital flight has stopped? . . ."

**Secretary Baker:** ". . . The question is whether or not they are going to take the reforms far enough. That will be the test of whether or not they're able to reverse capital flight and whether or not they're able to attract new private flows of capital."

The same week, Morgan published a study of flight-capital volume in Ibero-America. The Gebauer affair has, thanks to the Brazilian government, made clear why Morgan knows so much about the subject.

## The dollar's brief respite

*Japan's dollar-buying spree boosted the battered U.S. currency for a couple of weeks, but it has already given out.*

A 2.4% decline of the dollar against the Japanese yen and German mark June 3 ended a two-week respite for the declining U.S. currency, during which it reached a peak of about DM 2.34 and 175 yen. Press accounts attribute the dollar's plunge to a wire-service report quoting U.S. Trade Representative Clayton Yeutter to the effect that the dollar's improvement was temporary, due to political factors in Japan. The Japanese central bank had intervened heavily, Yeutter argued, to lift the yen in advance of elections called by Prime Minister Yasuhiro Nakasone for July.

Yeutter's remarks were an excuse for major banks to resume short positions against the dollar. Most had been waiting for the appropriate occasion. In fact, Bank of Japan intervention was not the reason for the dollar's sharp rise during the previous two weeks, but, rather, a collective move into the dollar by Japanese financial institutions.

Previously, the Japanese had been unfairly accused of planning to withdraw investments from the United States, or at least reduce their \$50 billion-plus annual rate of purchase of U.S. securities. Nothing was farther from the truth; not merely Nakasone's political prestige, but the Japanese economy is on the line.

However, the Japanese have seen the value of their U.S. investments reduced sharply during the past year, as the U.S. currency has fallen much faster than the bond market has risen.

It appears that the Japanese insti-

tutions are determined to make up in trading profits, what they are losing on the currency side. As a major market player, they have the muscle to do so.

New York banking sources report that the Japanese took the major Wall Street houses for something in the range of \$50 million during the last week in May, when the Treasury conducted its last auction of long-term bonds. The secondary market for U.S. government securities has been doubling each year, and now exceeds \$20 trillion per year of total annual volume. With the wild swings in bond prices, most institutions are loath to merely investment in Treasury securities, which have turned from one of the safest, to one of the most speculative, of all financial markets.

A typical trading technique in this environment of multiply-hedged bets is a "straddle" between old and new Treasury issues. When the Treasury offers a new bond, it tends to trade at a premium against the old one, the institutions noticed. They proceeded to sell the old one short, while buying the new one, to make up a few basis-points' profit on the difference.

This time the Japanese came in with enormous amounts of cash, and bought the entire issue off the market. The American institutions were stuck with their short positions against the old Treasury bond; none were available for purchases to close out the shorts. Writhe as they might, the Wall Street houses could not extricate themselves without losing something

close to \$50 million.

Thus did Japan, Inc., avenge itself against a system which locks it into more than \$50 billion a year in a declining currency. The amount of capital deployed by the Japanese traders to conduct this operation was sufficient to reverse the dollar's downward direction. The dollar was at 164 yen before the Treasury-bond fracas, and moved up to 175 yen by June 2.

Of course, intervention by the Bank of Japan, as well as the liquidation of short positions against the dollar, pushed the U.S. currency up enormously. Given the staggering size of the 'secondary market, in which the annual volume of currency transactions is perhaps 50-fold the volume of world trade, what previously would have been a blip in the dollar rate turned into a major climb.

However, selling the dollar remains the long-term strategy of every major bank in the world. A securities-and-real-estate-market bubble, fueled by a 20% annual rate of debt expansion, cannot go on forever. Despite the extravagant claims of the Commerce Department, the U.S. economy turned sharply downward, in terms of physical parameters, during the first quarter of this year.

America's capacity to absorb the \$150 billion it requires to finance its trade deficit has depended on the securities-market bubble masquerading as "economic recovery." The speculative wolf-pack turned against the dollar in the middle of 1985, and the U.S. Treasury has been scrambling to preempt a run against the dollar by "talking the dollar down" in cooperation with other central banks.

The Japanese play on the Treasury market brought a brief respite. Most market participants do not, however, expect an encore in the immediate future.

## **Amstutz intervenes on wheat prices**

*The effect of the USDA official's actions is to drive down wheat prices, and wheat supply, worldwide.*

**C**enter stage in U.S. Department of Agriculture (USDA) commodity policies in recent weeks is Daniel Amstutz, an international food-cartel functionary, who has, since 1983, been the USDA undersecretary in charge of U.S. crop acreage and international commodities. Amstutz is promoting the Swiss commodities cartel policy: World prices must drop, world farm capacity should contract, and more people will starve.

The world wheat situation shows this policy in practice. On May 30, the USDA announced that, in 1987, U.S. wheat farmers must cut their acreage by 27.5% at least, to participate in any government farm income support programs. Undersecretary Amstutz asserted that there was "excess" wheat in the United States (the world's largest wheat exporter), and—regardless of the harvest size this summer—U.S. wheat acreage next year must be cut to the maximum mandated under the Food Security Act of 1985. This year, farmers had to agree to reduce their harvested wheat acreage by at least 25% to qualify for the programs.

Amstutz's counterparts in Europe, through the Brussels offices of the 12-nation European Community, announced the same grain reduction policy in May, when they called for drastically reducing EC grain price supports because of "excess" grain.

In reality, wheat and other grain stocks have temporarily "piled up" in some leading production areas of the world, only because the world grain trade is being constricted under the trade limitations imposed by conditionalities of the International Mone-

tary Fund. The top international grain cartel companies—Cargill, Continental, Bunge, Dreyfus, André, ADM and a few lesser players—are working to dominate what trade remains.

To divert attention from this fact, the grain trade connections in government are staging trade-war games over wheat and other food commodities. A delegation of the U.S. Feed Grains Council, a cartel front group, toured Western Europe from May 31 through June 11, to raise a fuss over "unfair trade practices."

In Canada, over the May 31 weekend, spokesmen for the top five wheat producing groups of the world (United States, Canada, the European Community, Argentina, and Australia) met, nominally to discuss "reducing trade conflicts" over shrinking wheat markets. Nothing was resolved, except to get together next year. Canadian Wheat Board Minister Charles Mayer arranged the conference due to Canada's alarm at the intensifying U.S.-EC trade war over food, which he feels will plunge wheat prices and shut down the Canadian wheatbelt.

The fear was justified. U.S. Agriculture Secretary Richard Lyng read a pitiful cartel script when he told the other nations present that U.S. export policy is, "primarily to regain export business we have lost [no mention of IMF intervention], and we are determined to do that."

It is USDA policy to use the \$1 billion authorized by the new farm law to give free government-owned wheat and other grains to Cargill and the other cartel companies so they can try to undercut grain exports from compet-

ing nations. Since the cartel companies broker the sales from all the grain-exporting nations—over 90% of the trade—they are guaranteed their profits by this giveaway (called "export enhancement"), while farmers in every country are bankrupted by low prices.

U.S. wheat prices serve somewhat as the "floor" for other prices, and now that floor is collapsing.

On May 30, U.S. wheat prices plummeted the most in one day since World War I, because of the USDA policy. The price for soft white wheat grown in the Northwest plummeted 53¢ to \$3.25, from \$3.78 a week earlier. Midwest hard red wheat prices also dropped sharply. The leading factor was not simply the wheat harvest time—in which prices are expected to dip—but Washington policy to bring down wheat prices. Washington sets government crop loan rates, which, in turn, can influence the direction of market prices. On behalf of cartel interests in underpaying farmers, the wheat loan rate was drastically reduced as of June 1. In the accounting year ending May 30, the government wheat loan rate was \$3.30/bushel. After May 30, the rate dropped to \$2.40/bushel.

On average, the national price index of wheat and all food grains (for human cereals consumption) fell 7.5% from May 1985 to May 1986. The price was mostly pulled down by wheat prices. In one month, from April to May this year, the average U.S. price of wheat dropped by 20¢. On May 30, Amstutz also announced that the government wheat "target" price (determining subsidies to farmers) will also be frozen from 1986 to 1987, at the level of \$4.38 a bushel, below the farmer's cost of production. Amstutz said he will make more announcements by July 1 on other wheat output restrictions.

## Can CWA stop 'benefit gouging'?

*The strike against AT&T may have the power to stop the gouging of living standards now common in company bargaining.*

The largest nationwide work stoppage since the three-week 1983 strike against American Telephone & Telegraph (AT&T) by the Communications Workers of America (CWA) was launched at midnight on May 31, again by the CWA against AT&T. The walkout by 155,000 workers, representing 40% of AT&T's workforce of 388,000, includes telephone operators, manufacturing and clerical workers, as well as telephone installers.

The issue in this strike is fundamentally the same as that in smaller strikes and demonstrations by dozens of other unions: In the words of CWA leaders, they are unwilling to agree to "unacceptable givebacks in the face of hefty top-management salary bonuses plus a good company profit picture." In reality, while major corporations have shown cosmetic improvements in profit margins by diversification, large layoffs, and wage reductions, they are unable to sustain those profits, in the Reagan "recovery," without achieving substantial cutbacks in the work rules and "benefits" packages won over the years by organized labor.

The major issue in the strike is the union's fear that AT&T's proposal to create a new entry-level job category for least-skilled system-installers would restructure the system technician job category in such a way that laid-off workers might be shifted to positions paying significantly lower wages. "We will not throw those 20,000 members to the wolves," Morton Bahr, CWA president, recently told

the press. He said the proposal would reduce the average weekly pay of some 20,000 technicians from \$646 to \$346.

The union also objects to AT&T's plan for an 8% wage hike over three years, with no cost-of-living adjustment, rightly noting that such a proposal is a wage reduction.

The CWA says it is confident it will press AT&T into concessions. "The company cannot afford a lengthy strike in this competitive field," said Fran Zucker, a union spokeswoman. Zucker said the union was prepared to "hold out" for a long time with a "substantial" strike fund.

Picket lines have gone up across the nation, while mediation began June 1 by federal mediators. The union claims that the walkout is costing AT&T \$50 million a day, though AT&T did not confirm the figure. The strike has forced the utility to close 100 of its 400 work centers for long-distance operators. Zucker predicted that within two weeks of the strike's commencement, "75% of all AT&T manufacturing and 75% of all AT&T distributing will grind to a halt."

The CWA has decided to strike to prevent AT&T from going the way of the airlines industry. Bahr indicated that the company's move to gain work-rule and benefit concessions was "common" in newly deregulated industries. The CWA "has chosen to make this time and this place our stand against these unwarranted concessions."

The strike could indeed be a turning point in the series of losing battles by unions sincerely trying to stop the

"concession" and "giveback" bargaining which has become *au courant* in the "free enterprise" environment created by Don Regan and his Wall Street asset-strippers. The recent collapse of the TWA flight attendants strike, in the face of intransigent demands by TWA's asset-stripping president Carl Icahn for the forced retirement of all workers with more than 10 years of seniority, was only the most glaring recent example of this.

An even more ominous precedent may be set by the proposal of the Chicago-based Inland Steel Corp., which is trying to negotiate a labor contract at its

would allow the company to lower wages any time the union negotiates a lower wage with any other major steel company. Also in steel, the recent settlement by Bethlehem Steel officials of a tentative pact cutting labor costs by nearly 10% to save the company from bankruptcy, continues the trend of concession bargaining in that industry.

The CWA strike is pitted against a multinational corporation which has been badly scathed by deregulation in the past decade. Today's workforce of 388,000 is down from 500,000 when the CWA struck AT&T in 1983. Like the airlines, the communications industry has been forced into cutthroat competition simply to stay alive.

It is possible that a well-organized and well-funded strike could force the company to turn, not against its own workforce, but against those in the administration and on Wall Street, whose policies have created the dog-eat-dog conditions in the telecommunications industry, to abandon the "recovery" and seek, instead, the American System investment policies which built AT&T in the first place. This, clearly, would be a winning strategy for the CWA.

# Business Briefs

## Labor

### Argentine union prepares for strike

The Argentine General Confederation of Labor (CGT) issued a document detailing the reasons for a June 13 strike mobilization, and has announced the establishment of five regional centers from which it will organize this mass protest against the Austral Plan, the disguised IMF austerity package adopted by the Alfonsín government in June 1985.

CGT Secretary-General Saúl Ubaldini has begun a series of tours as part of the mobilization leading up to June 13, and the CGT has committed "all the efforts of its organizations throughout the territory of the Republic, to achieve the highest degree of mobilization of organized workers."

The CGT calls for a demonstration "against official insensibility and against the stinginess of sectors which have been, and are, responsible for this policy of national shrinkage, of reduction of production, destruction of wages, and growth of unemployment, which they approved and applauded together with the supervisors of hunger sent to us by the IMF. . . ."

The CGT document calls on the Economic and Social Council, set up by the government for co-participation talks, to meet the CGT's demands on wages; Ubaldini said the CGT is no longer going to the council's meetings, because the government has put forward "no acceptable proposal."

The CGT will also send an official protest to the International Labor Organization concerning the fact that the CGT's legal status has not yet been "normalized," and that labor legislation dating from the military dictatorship still remains in effect.

## International Credit

### China eyes Eurodollar market

China will launch in the near future a \$200 million floating-rate note issue in the Eurodollar markets through the Deutschebank in

Frankfurt, the London *Financial Times* reported on June 4.

China has already successfully issued bonds in Japan and Germany, and a floating-rate certificate of deposit issue in the Euro-markets.

Britain, which has opened negotiations with China to settle some of the \$250 million outstanding from pre-1949 bonds, has been trying to keep China out of the international markets until the pre-revolutionary debts are settled.

The Bank of China is already a large investor in Eurobonds through managing China's \$12 billion foreign-exchange reserves, and recently acted as an underwriter for a \$100 billion floating-rate note for the Moscow Narodny Bank.

## Banking

### BIS warns against 'financial innovations'

The Swiss-based institution of leading central banks, the Bank for International Settlements (BIS), fears a new banking danger. The BIS annual report, released on June 9, warns of new dangers to the international banking system from "financial innovations."

*EIR* obtained an advance copy of the unusually frank document, which states: "A certain degree of uneasiness about developments in financial markets and in the banking industry has arisen in the wake of the recent wave of financial innovations, which originated in the United States and the U.K., and has lately been spreading to Japan and continental Europe."

The BIS expressed alarm that such "innovations," implemented to circumvent more stringent regulatory reserve requirements in the wake of the 1982 debt crisis, are such that banks themselves may not realize "fully the risks they are incurring."

"There is always the danger of things getting out of control. The new structure of exchange rates has not yet brought the desired degree of exchange-rate stability, and the movement in oil prices has not yet led to a new equilibrium."

Citibank was the first international bank to make major "off balance sheet" loans following the 1982 Mexico debt crisis. BIS spokesmen say it is impossible to estimate the size of this new market—since by nature it is unregulated—but estimates have ranged as high as \$1.2 trillion.

## Space

### Soviets make advances in space; U.S. lags

The Soviet Union plans to launch two space vehicles to explore Mars and its satellite, Phobos, in July 1988, according to Moscow World Service.

The expedition, scheduled to last 460 days, will involve Austria, Bulgaria, Hungary, East Germany, Poland, France, West Germany, and Czechoslovakia.

According to Dr. Valerii Barsukov of the Soviet Academy of Sciences: "We expect to explore the surface of Mars from an orbit around it. We expect to approach it at a close distance, about 50 miles and pass very slowly over the Martian satellite Phobos."

The Soviets also plan to expand their space station, MIR, according to *Defense Daily* of June 2.

"The 50-foot structure assembled by two Soviet cosmonauts outside the Salyut 7 space station last week . . . is an experiment that will someday lead to a system that will link two space stations into a single complex, the Soviets said Friday.

"Leonid Kizim and Vladimir Solovyev worked outside the Salyut 7 space station for three hours and 50 minutes Wednesday [May 28] erecting an interlocking structure which was attached to the outside of the station complex. They also tested new spacesuits during the space walk. The Soviets say MIR is a building block for a permanent manned station. Moscow announced Friday that Kizim and Solovyev would make another space walk over the weekend."

Meanwhile, in the United States, manned space flight is likely to be postponed for as much as two years, according to a *New York Post* "exclusive" on June 4.



According to the *Post*, the Rogers Commission, which investigated the Challenger explosion, has recommended a "moratorium" on all future flights, until NASA officials correct more than 700 alleged problems with the Shuttle.

## Free Enterprise

### U.S. drug production at all-time high

U.S. domestic production of marijuana and cocaine is now at record levels, according to estimates by several federal agencies.

Net domestic production of marijuana, after eradication, was about 750 tons in 1978, rising to 1,050 tons in 1981 and to roughly 1,900 tons a year from 1982 onward. The Forest Service estimates that more than 100 tons of marijuana were successfully grown and harvested on Forest Service land last year.

Cocaine production is also on the rise. According to the Drug Enforcement Administration's Anthony Senneca, Colombian coke dealers are increasingly setting up production labs in the United States, partly because there are many remote areas here, and because "Colombia has made it more difficult for them to buy the chemicals they need," especially ether, which is readily available in the United States.

## Raw Materials

### Norway wins natural gas contract

The Norwegian Statoil state company announced on June 2 the successful negotiation of an estimated \$68 billion deal with a consortium of West German, French, Dutch, and Belgian firms to supply an estimated 15% of Western Europe's natural gas needs until the year 2020. The surprise announcement comes after 18 months of negotiations,

and indicates that an intensive Soviet effort to capture the market has failed. One industry source cited the fact that Norway is a staunch part of the Western Alliance as a major reason for the deal.

Oil and Energy Minister Arne Oien said the agreement covering 1.57 trillion cubic feet of natural gas was "the biggest export contract in Norwegian history." The gas deal was signed by Norway's state oil company and its counterparts the weekend of May 31-June 1.

The continental partners are Ruhrgas, Thyssengas, and Beb of West Germany, the Dutch state company Gasunie, Distrigaz of Belgium, and the French company Gaz de France. Under the agreement, which has to be confirmed by the governments of the buyer countries, the two Norwegian North Sea fields of Troll and Sleipner are to feed gas into the European pipeline system through a new underwater pipeline to be built in Zeebrugge, Belgium.

Deliveries will begin in 1993, and increase during the 1990s. The two fields are to provide 706 billion cubic feet annually between the years 2000 and 2020.

## Trade

### German industrial exports down

The West German Machinery Association, VDMA, released figures on June 2 showing that, in April, new orders for German engineering products, the largest single export sector, were down an average of 6% in comparison to the same 1985 period.

Foreign orders were hardest hit, down 8%, but domestic orders are also down by 4%. First quarter results show an alarming 8% drop over 1985.

A spokesman for the IFO Research Institute in Munich stated: "In view of the shrunken order reserves and increasing skepticism of companies during the past months, it is not certain there will be a rise in capacity use in the second quarter."

The government of Chancellor Helmut Kohl has staked its entire election strategy over the next months on a buoyant growing "recovery."

● **WESTINGHOUSE** Electric Corp. urged that the controversial \$1 billion nuclear reactor it built in the Philippines be tested and put into operation immediately. In a statement issued in early June, Westinghouse said safety issues raised were unfounded. It also said that the Philippines could reduce oil consumption by 6 million barrels per day were the nuclear plant operational.

● **CUBA HAS** reversed the debt moratorium it announced on May 5. Reuters reports that Cuba assured its creditors it would stay current on interest on all debt, and pay principal on trade-related debt.

● **JAPAN** has become the world's largest creditor nation, with 75% in net external assets in 1985. The finance ministry estimated that Japan will soon overshadow Britain as the world's leading creditor. The United States became a debtor nation last year, with a \$148 billion trade deficit.

● **PANAMA, JAPAN,** and the United States began talks in early June in Panama City on a five-year study of the Panama Canal and possible alternatives. The reports said: "One of the possible alternatives to the Panama Canal . . . is the construction of a new sea-level channel across the Panamanian isthmus. . . . At an estimated cost of \$20 billion, however, and with major ecological questions still unresolved, it appears unlikely the commission installed here today will approve the construction. . . ."

● **A POLITICAL** and economic campaign against South Africa will be unleashed on June 16 during a three-day, Paris-based, "U.N. World Conference on Economic Sanctions against South Africa." The World Council of Churches has called for a "world day of fasting and prayer," and the Catholics Bishops of Southern Africa said that "despite new sufferings," sanctions should be implemented against South Africa.

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## Mars by the year 2015

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*The President's National Commission on Space recommends an ambitious Moon-Mars mission, Marsha Freeman reports.*

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Twenty-five years ago, it appeared impossible that the United States would realize a manned Moon landing. President Kennedy's program appeared to his science advisers, to express an unrealistic optimism. Today, again at an apparently dim moment in the U.S. space effort, President Reagan's National Commission on Space has recommended a program of even greater scope and vision than the Apollo program. And, as in 1961, such a national commitment is precisely what is needed to ensure that the recent reversals in the space effort become a goad to greater progress.

In the introduction to the report, "Pioneering the Space Frontier," published by Bantam Books, the Commission states that their "vision is to make the solar system the home of humanity." It is not simply a question of doing long-term planning, the Commission says, but a renaissance in education and an orientation toward the future that is key. "Our leadership role should challenge the vision, talents, and energies of young and old alike, and inspire other nations to contribute their best talents to expand humanity's future."

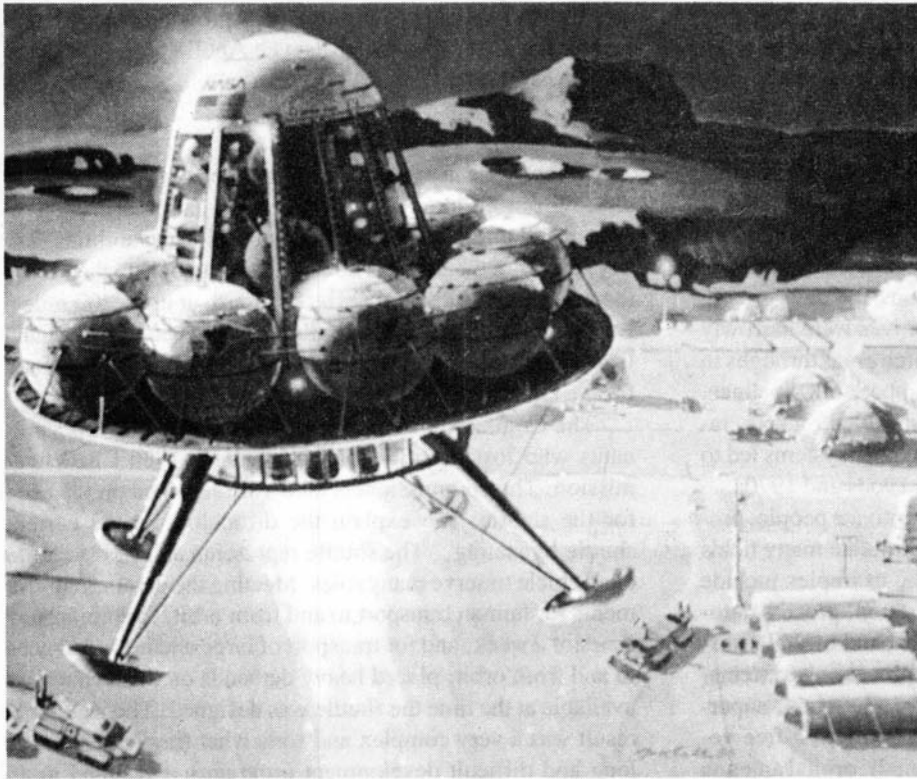
To accomplish this, the Commission has formulated a program for "exploring, prospecting, and settling the solar system," starting with a return to the Moon in the year 2005, and the first manned expedition to Mars by 2015. "We project," they write, "the growth of an initial Mars outpost to a Mars Base in about the third decade of the next century. "While that seems far away now, many of the people who will live and work at that Mars Base have already been born." The reason for going will be to bring human civilization to space—and this time, not just to visit.

The report has value "only to the extent that its recommended space goals for 21st-century America are adopted and acted upon," the Commission states. They recommend that the President and the Congress "direct the Administrator of NASA to review the Commission's findings and proposed space agenda, and by December 31, 1986, recommend a long-range implementation plan, including a specific agenda for the next five years."

For those who would rethink the entire policy of maintaining manned missions in space, which underlay the building of the shuttle, the Commission gives the following warning: ". . . it is imperative that the United States maintain a continuous capability to put both humans and cargo into orbit; never again should the country experience the hiatus we endured from 1975 to 1981, when we were unable to launch astronauts into space."

At a press conference on May 23 in Washington releasing the report, Commission chairman and former Apollo-era NASA administrator Tom Paine stated, "Stronger leadership and greater vision will be needed, but the expected benefits to America and the world will greatly outweigh the costs. Our report recognizes that the final decision will be made by the American people through its leaders in Washington. The Commission," he continued, "is therefore not prophesying, but describing what the United States can make happen through vigorous leadership in pioneering the space frontier."

The report outlines the following milestones for NASA to achieve:



*This artist's rendition of a Mars settlement in the 21st century shows a Mars lander arriving from the Mars Spaceport.*

All illustrations in this section are from "Pioneering the Space Frontier" (artist: Robert McCall)

- initial operation of the space station, on time, by 1994;
- a manned outpost on the Moon by the year 2005;
- a first manned mission to Mars by the year 2015.

In order to accomplish these goals, according to the report, the nation will have to push forward the frontiers in space transportation, new propulsion systems, life-support technologies to live away from Earth, and new sources of energy. Long-range planning at NASA, in addition to a steadily increasing level of funding indexed to the Gross National Product, are needed to accomplish the tasks.

The benefits to the United States will be seen in technology revolutions in energy, manufacturing, medicine, the life sciences, and the space sciences. Without the combined challenges of developing and deploying technologies based on lasers, plasmas, and new physical principles for the Strategic Defense Initiative and the Moon-Mars mission, the nation will not be ready for the 21st century.

### **Major milestones**

From the outset, the report demands a commitment by the U.S. government to accomplish these goals, giving no quarter to the current mad push toward trying to commercialize the space program out of existence: "As formerly on the western frontier, now similarly on the space frontier, Government should support exploration and science, advance critical technologies, and provide transportation systems and administration required to open broad access to new lands. The investment will again generate in value many times its cost, to the benefit of all."

The Commission recognizes the synergy between the manned and unmanned space programs. They call for an "aggressive space science program" which includes studying the structure and evolution of the Universe, our Galaxy, and our Solar System, including the emergence and spread of life. Space science research should include astronomical facilities in Earth orbit and on the Moon; unmanned sample return missions from planets, moons, comets, and asteroids; a global study of the Earth; studies of the Sun; the search for planets around other stars; and the study of long-duration effects of micro-gravity on life.

The report outlines specific technologies which must be advanced for the overall program to be possible. These include the development of the aerospace plane and advanced rockets, aerobraking for orbital transfer vehicles, closed ecosystems for living in space, electric launch and propulsion systems, nuclear electric space power, and tethers and artificial gravity facilities in space.

The major milestones for the next 50 years, according to the report, are the development of new cargo and passenger transport vehicles by the year 2000, and extended use of the space station, which should be well in use by then. Five years after that, robotic lunar surface operations would have done detailed surveys of the Moon, and the first permanent outpost for astronauts would be started.

During the following decade, detailed unmanned exploration of Mars would be completed, with samples returned to be examined and evaluated. By the year 2015, the first human outpost on Mars would be established, followed by coloni-

zation.

The commissioners were undoubtedly able to imagine the reaction of budget-balancing Congressmen and accountants in the Office of Management and Budget, to this "exciting vision of our next fifty years in space." They therefore specify, in the introduction, the substantial economic benefits to be derived from challenging the space frontiers:

"As we learned in World War II, government-academic-industry teams mobilized to accelerate advances in science and technology can build the foundations for new growth industries even though the original objectives were narrowly focused on military requirements. Wartime breakthroughs in jet propulsion, antibiotics, synthetic rubber, oil pipelines, nuclear energy, microwave radar, liquid-fueled rockets, radio guidance, electronic computers, and other systems led to America's high growth industries of the 1960s and 1970s.

"The programs we recommend will motivate people, provide new standards of excellence, and stimulate many fields of science and technology. . . . Specific examples include artificial intelligence, robotics, tele-operation, process automation, hypersonic flight, low-cost global and orbital transport, optical communications and data processing systems, ultra-high-strength and high-temperature materials, supercomputers, wireless power transmission, pollution-free vehicles (electric and hydrogen-oxygen fueled), orbital antenna farms, closed-cycle ecology biosphere operations (which could revolutionize intensive agriculture), and myriad others."

In the last 50 years, according to the Commission, "Government-sponsored research and development created 'enabling technology' in aeronautics and in communication satellites." During the next 50 years, the government should provide the "enabling technology" for entire orbiting industrial parks.

To open up the Moon for industrial development and a new economic base of activity, the enabling technology will be transfer vehicles from low-Earth orbiting space stations. "When that second link in our space transport system is completed," the report says, "the event will compare in significance to the driving of the Golden Spike in Utah more than a century ago, that marked the completion of the transcontinental railroad."

Will we have to put the country in hock to achieve these ambitious space goals? The Commission projects that the rate of growth of the Gross National Product in the next 50 years, will average the same 2.4% that it did in the past 25. They recommend that the amount of money spent by NASA each year be a fixed percentage of the GNP, and that that percentage need only be half of what it was during the peak Apollo funding years. This would mean that the NASA budget would be about 2% of the GNP, rather than the 4% it was during Apollo, or the 1% it is now.

In a speech in the summer of 1985, Commission chairman Paine remarked that the most cost-effective space programs were done on a "crash basis," like Apollo. He described the

capabilities available from a modestly growing NASA budget over the next 50 years, as "seven Apollo programs in the 20-50 year period."

### **Why we need the shuttle**

Before we can even think of going back to the Moon, or sending our children off to Mars, this nation will have to extend and upgrade its space transportation capabilities. Today, the United States has no way to take people to the Moon; the space shuttle can only orbit the Earth at up to 300 miles. But the shuttle will be our railroad to a space station, and from there, other space transport vehicles will be designed for the lunar trip.

The Commission report is dedicated to the seven astronauts who lost their lives in the January 1986 Challenger mission. The commissioners take a strong stand on the need for the shuttle, and explain the difficulties in the current shuttle by stating, "The shuttle represents an effort to build one vehicle to serve many roles. Meeting the diverse requirements for human transport to and from orbit, for orbital stay times of a week, and for transport of large and heavy cargoes to and from orbit, placed heavy demands on the technology available at the time the shuttle was designed. The inevitable result was a very complex and somewhat fragile vehicle. A long and difficult development program has resulted in an orbital transport system that is both expensive and technologically demanding to operate.

"Nevertheless, the space shuttle is a technological triumph and a magnificent achievement both in pioneering winged flight into space and in providing a reusable vehicle for spaceflight. . . . It has opened the Highway to Space."

### **Next-generation space vehicles**

By the turn of the century, our current space shuttles will be obsolete, and at the end of their operational lives. The Commission states that the shuttle "should be replaced by a new vehicle designed to meet all requirements for the transport of passengers and high-value cargo to and from orbiting spaceports."

"This vehicle, optimized for passenger transport, may be smaller than the shuttle. Since the space station will have been operating 5 or more years before passenger transport vehicles (PTV) become operational, they will not need the capability for extended, independent stay times in orbit. . . . PTVs must be designed for reliable low-cost operations, even if this means increased development costs."

The Commission recommends that research into two "essentially different but complementary means to cost reduction" for passenger flight be conducted in parallel, to develop the next-generation Earth-to-orbit transport system. The first is the air-breathing aerospace plane, which the Air Force and NASA are now examining.

The second line of research, is to develop more advanced rocket systems for orbital travel, possibly using various kinds of hybrid engines, using both liquid hydrogen and petroleum-

based fuels. By 1992 both programs should provide enough data for the nation to make a policy decision on which technology should be developed to replace the space shuttle.

In addition, a specially designed cargo transport vehicle should be developed, to separate the freight requirements from the passenger requirements. The goal would be to reduce to about \$200 the cost of getting a pound of cargo into orbit. These vehicles would likely be one-way only, similar to the Progress cargo ships which the Soviets have used to resupply their space stations.

Once the space station is operational, it will provide the technology base and infrastructure to build more specialized orbiting facilities. The Commission recommends the construction of a series of Spaceports, as transportation hubs in space. These will be used for the storage, repair, supply, maintenance, and launch of orbital transfer and other space-based vehicles.

From the Earth-orbiting Spaceport, new orbital transfer vehicles (OTV) will depart, to higher Earth orbits and the Moon. They could be chemically propelled, based on a modular design, where more fuel tanks could be added for longer journeys. The most energy-efficient way to bring this OTV back to the Earth Spaceport is to use aerobraking. This technique uses the upper atmosphere of the Earth to slow down the vehicle, so it can dock with the Spaceport, conserving its onboard fuel.

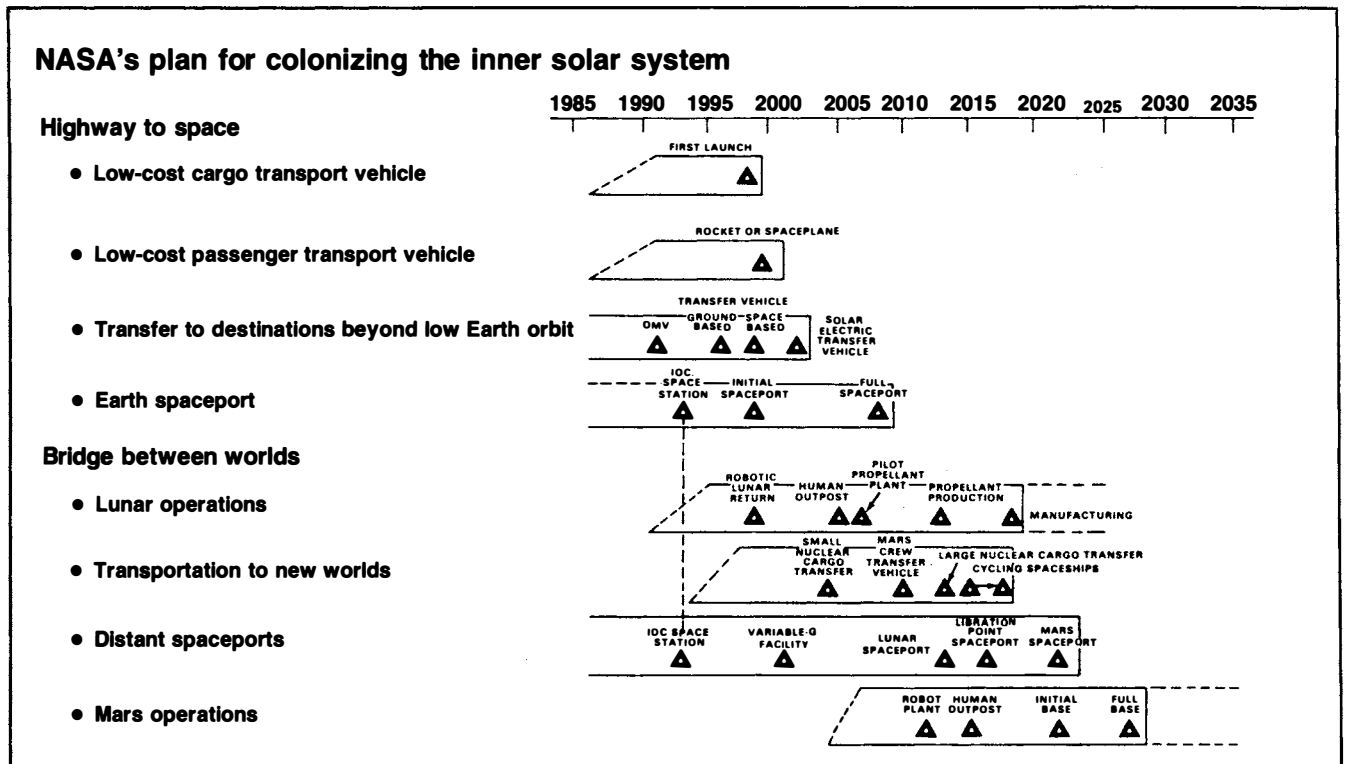
The OTV would make use of in-orbit maintenance, refueling, testing, and repair at the Spaceport. The first OTVs could be unmanned, followed by passenger transports. The

report warns that for this schedule to be maintained, with OTVs operational by the turn of the century for returning to the Moon, the "U.S. space station must be kept on schedule for an operational capability by 1994, without a crippling and expensive 'stretch-out.'"

Traveling 35 million miles to Mars, however, requires a completely different generation of spacecraft than those which can travel the quarter of a million miles to the Moon. Using the most advanced technologies based on today's propulsion, a Mars trip will require minimally six months of travel, as opposed to two days to the Moon. As Dr. Paine remarked at his press conference, the Commission's projections did not assume any breakthroughs in basic science. More advanced technologies, such as fusion propulsion, could certainly shorten the trip time.

But it is possible that more conventional transport will have to be relied upon for the first Mars trips, in the second decade of the next century. The report suggests the development of "cycling spaceships" which only go from Earth's Spaceport to a similar orbiting Spaceport at Mars. Similar in concept to the Mars Delivery Vehicles proposed by space scientist Krafft Ehrlicke in 1968, these spaceships could save time and energy by not slowing down at either planet, but transferring passengers to space "taxis," which would go to the Spaceports.

The cycling spaceships are actually moving space stations, with substantial research facilities, and the other things passengers would want to have on board, since they will be living there for six months.



The Moon is so close to the Earth, that running "home" in case of emergency is still possible. Not so for Mars. When humans go there, they will have to initially take with them all of the food, water, air, other consumables, and equipment they need. They will have to be able to perform surgery and take care of any other emergencies.

No one would think of sending the first Mars crew out with technologies they are trying for the first time, so the Commission report wisely recommends that, "many of the systems needed for reaching outward to the planet Mars will be proven in the course of work in the Earth-Moon region."

Before full-scale lunar development can begin, a Lunar Spaceport will be in orbit, to "handle incoming and departing transfer vehicles. . . . The Spaceport will become a hub of activity as tons of habitation modules, cranes, scientific devices, lunar rovers, and processing and manufacturing equipment descend upon the Moon's surface."

"Return traffic from the Moon will provide lunar soil for

shielding and processing," at the Spaceport itself, "thus providing oxygen, lunar metals, and possibly hydrogen," the report states. Because lifting material from the Moon only requires 5% of the energy it takes to lift the same mass from the surface of the Earth, it will eventually be much cheaper to bring materials to the Earth space stations from the Moon, rather than from the nearer Earth.

Once lunar operations are in place, work to lay the basis for the Mars mission will include the development of self-sustaining biospheres, where virtually all waste is recycled and reused, and where food is grown for "local" consumption. Robotic industrial processing techniques, and automated factories that will be needed on Mars, will be "debugged" in orbital factories, and on the Moon. Full lunar industrialization—including mining, propellant production from the Moon's abundant oxygen, the processing of metals and other raw materials, and manufacturing and fabrication—will be the "growth industries" of the next century.

## A laboratory to study effects of low gravity

As human beings move out to live in space stations, on the Moon, and then on Mars, they will be faced with the prospect of living in environments that have almost no gravity, or only some fraction of the one-g we experience on Earth. Scientists are still discovering what the long-term physiological effects are of leaving the one-g of our home planet.

The report of the National Commission on Space recommends establishing an Earth-orbital facility where the gravity can be varied, anywhere from near-zero to one-g. The laboratory would be rotated to simulate gravity through centrifugal force. The major question that scientists would seek to answer using the facility, is: "What gravity level is needed to prevent the deleterious effects of less than Earth gravity?"

"If one-sixth gravity is adequate, then long-term habitation on the Moon will be practicable; if one-third gravity is adequate, then humans can inhabit the surface of Mars," the report states. "What are the effects of return from low go to Earth gravity?" This is a crucial question to be answered, and "experiments to settle these questions will have to be carried out over long periods of time," the Commission cautions.

Space shuttle crews now spend up to 10 days in the microgravity of Earth orbit, without any noticeable long-term effect. But U.S. medical authorities have reported that Soviet cosmonauts who returned to Earth in 1984, after spending 237 days in orbit, emerged from the flight

with symptoms that mimicked severe cerebellar disease, or cerebellar atrophy.

The cerebellum is the part of the brain that coordinates and smoothes out muscle movement, and the cosmonauts required about 45 days of normal Earth gravity before their muscle coordination allowed them to remaster simple children's games, such as playing catch, or tossing a ring at a vertical peg.

It has been observed for years, from both the U.S. Skylab program of the early 1970s, and the near-continuous use of Soviet space stations, that long-term space habitation produces problems of cardiovascular deconditioning, the demineralization of the skeleton, the loss of muscle mass and red blood cells, and impairment of the immune system.

The variable gravity research facility would be used for basic scientific studies of these questions. Eventually, it could be used to slowly accustom future space colonists to a lower-gravity planet, by having them live in progressively lower-gravity environments.

The laboratory would also be used for other scientific disciplines, in addition to biology. These would include physics and chemistry and also the long-term testing of synthetic biospheres that will support life during the voyages to Mars, as well as on the surfaces of the Moon and Mars.

It may well be the case, that humans who leave Earth to inhabit other worlds may find it difficult, if not impossible, to return to Earth, because while it is possible to rotate space stations to simulate gravity, the low gravity of the Moon and Mars themselves cannot be altered in that way.



A Mars-orbiting Spaceport will “serve as a base for scientific investigations of the Martian surface, and will be a node for incoming and outgoing crews and equipment.” In terms of a Mars outpost, the report poses the possibility that the tiny Martian moon Phobos, could be used virtually as a space station, as it orbits only 6,000 miles above the Martian surface.

Because Phobos is so small, it will require very little energy to land there. Phobos may be rich in volatile elements, such as oxygen and hydrogen, and therefore a processing plant might be established there. “The propellants obtained from this plant will support future Mars operations, and greatly reduce the necessary cargoes transported over the long supply line from Earth.”

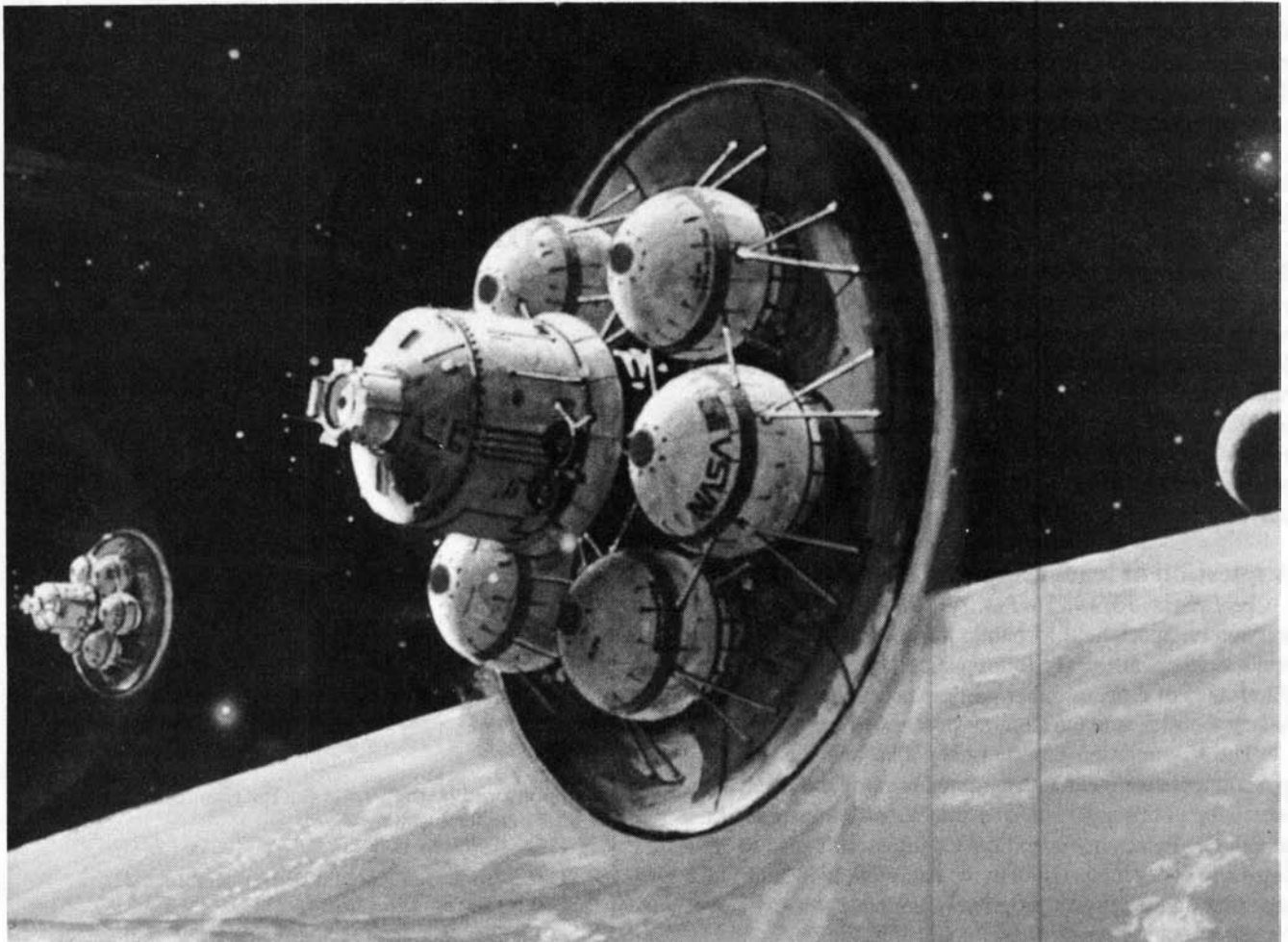
“The great distance of Mars will dictate not only the development of complete and fully redundant biospheres for operation there, but also the establishment of two or more bases, for example, both on the planetary surface and in orbit,

so that a serious problem occurring in one of the bases can be overcome by quickly transferring personnel from the affected base to another,” the study explains.

The commissioners also examined the kinds of surface transport required for operations on Mars. “There is a logical sequence of experience for the design of land-roving vehicles both for the Moon and for Mars. . . . For long-distance traverses of the surfaces, there will be enclosed vehicles, equipped with full life support systems, in which people can live and work in shirt-sleeve environments for many days.”

“For short trips in the vicinity of outposts and bases, vehicles roughly similar to the lunar rovers of the Apollo era will be used.” In these, the colonists will have to don space suits. For observation, surveys, and checkout of changing conditions, remotely piloted Mars airplanes are likely to be useful, because, unlike our Moon, Mars has a thin atmosphere.

The Commission describes its report as an “economical,



*Two transfer vehicles are shown here being slowed down (aerobraked) by the upper atmosphere of the Earth during their return to a space station. A large, ceramic disk acts as the aerobrake. Behind the disc are six spherical propellant tanks and a cylindrical module containing astronauts.*

phased approach." Each step lays the basis, or provides the enabling technology, for the next. The goals are clear, and holding back on any one, delays the completion of the next. By setting such long-term goals, the Commission concludes one of the most important changes could be in education.

### Revitalizing science education

"When Sputnik 1 penetrated the vacuum of space in October 1957, the reverberations shook the technological and educational underpinnings of the United States. A series of science education initiatives, including the National Defense Education Act of 1958, triggered a reformation of America's education system."

"This momentum has not been sustained; once again our Nation is confronted with the necessity to revitalize education. . . . A citizenry able to understand and appreciate our Nation's space program is a key ingredient to the future of the program. The Commission believes that current weaknesses in our educational system must be corrected to ensure a vital 21st-century America."

After reviewing some of the most disturbing statistics dealing with the decline in the quality and quantity of science education, the report makes some specific recommendations. The disciplines of science that are already represented in the space program, including nearly every branch of physics, chemistry, life sciences, medicine, and biology, will be joined in the future by experts in even broader technical fields, such as agronomy.

The Commission recommends establishing a National Space Laboratory, which would allow students to carry out experiments in orbit as part of their educational program. It suggests that the Congress authorize NASA "to create a fellowship program in space science and engineering. This will help attract the best students to pursue careers in these disciplines and permit access to space careers by highly qualified young people regardless of their financial situation." The report also calls for NASA to undertake a program to upgrade university space research equipment.

### A question of leadership

From Sept. 13, 1985 to Jan. 17, 1986, the National Commission on Space held 15 public forums to allow citizens to make suggestions on the future of the U.S. space program. Thousands of citizens either participated in these meetings, or sent their ideas to the Commission in writing.

The Commission report, rather than being a technical government document with a limited printing, has been commercially published, and is available in bookstores. Last month Dr. Paine announced the Commission's plan to get a copy into every high school in the nation. A half-hour video tape film on the 50-year program is available free of charge, for use by schools and others.

For Dr. Paine, this was not his first experience with trying to project long-range goals for the space program. As the head of NASA during the time of the first Apollo lunar land-

ing, he was involved in the September 1969 study titled, "America's Next Decades in Space." This report presented four possible scenarios for the post-Apollo future of the space program.

At the fastest rate, NASA projected that the first manned expedition to Mars could take place in 1981. This would have been preceded by a space station in 1975, which by 1980 could have housed 50 astronauts and crew. An Earth-to-orbit shuttle would have been operational by 1975, and a space tug to go to the Moon would be ready a year later.

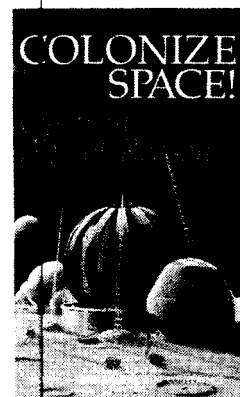
Needless to say, this plan was never implemented. The reason was the same budget-cutting economic policies which the Reagan administration is trying to foist on the space program today. This time, Paine and the other members of the Commission have decided to take their plan to the American people, to drum up broad-based support for aggressive space goals.

If policymakers in Washington had enough vision to look 50, or even 20 years into the future, they would see how the decisions they make today—to replace the Challenger orbiter, to build the space station on schedule, to upgrade the space science programs—will determine whether we can start implementing the necessary Moon-Mars programs outlined in the Commission report.

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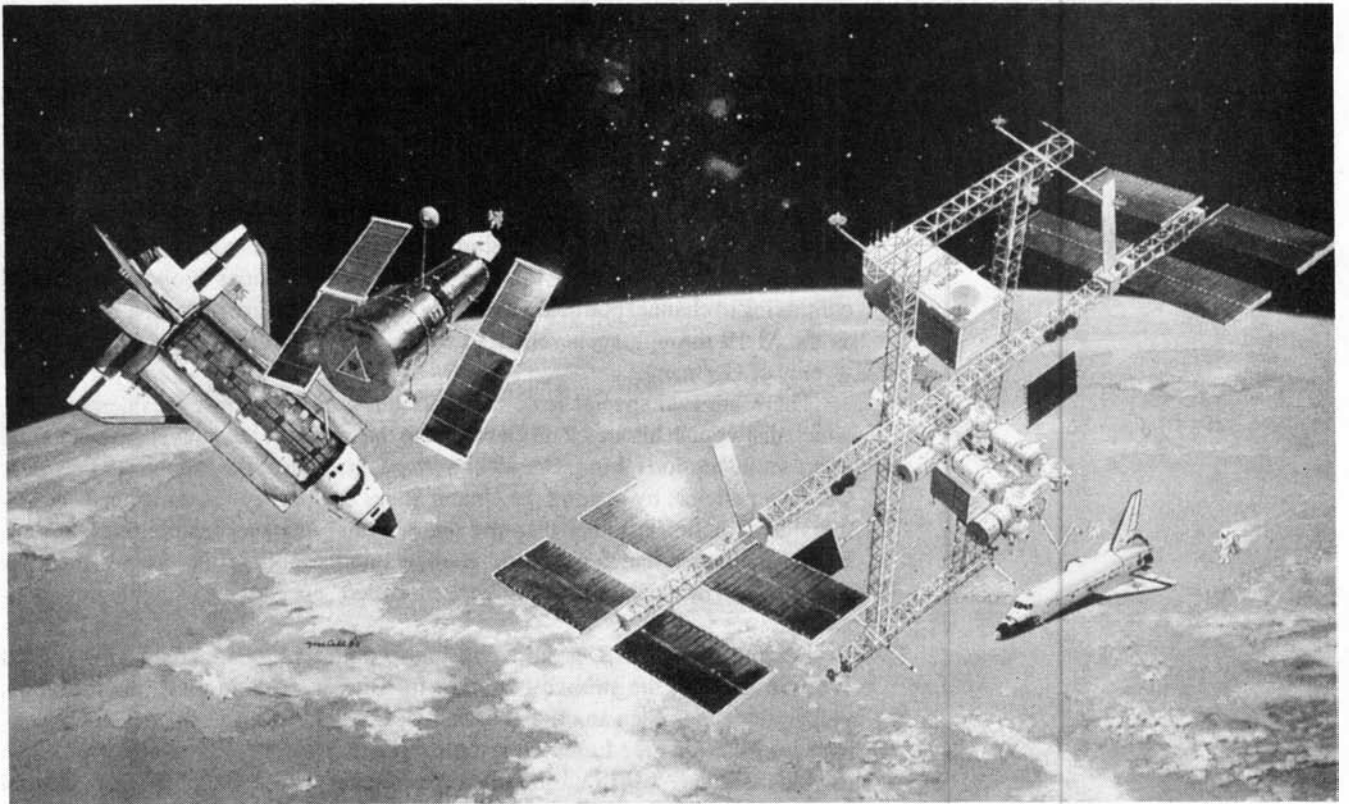
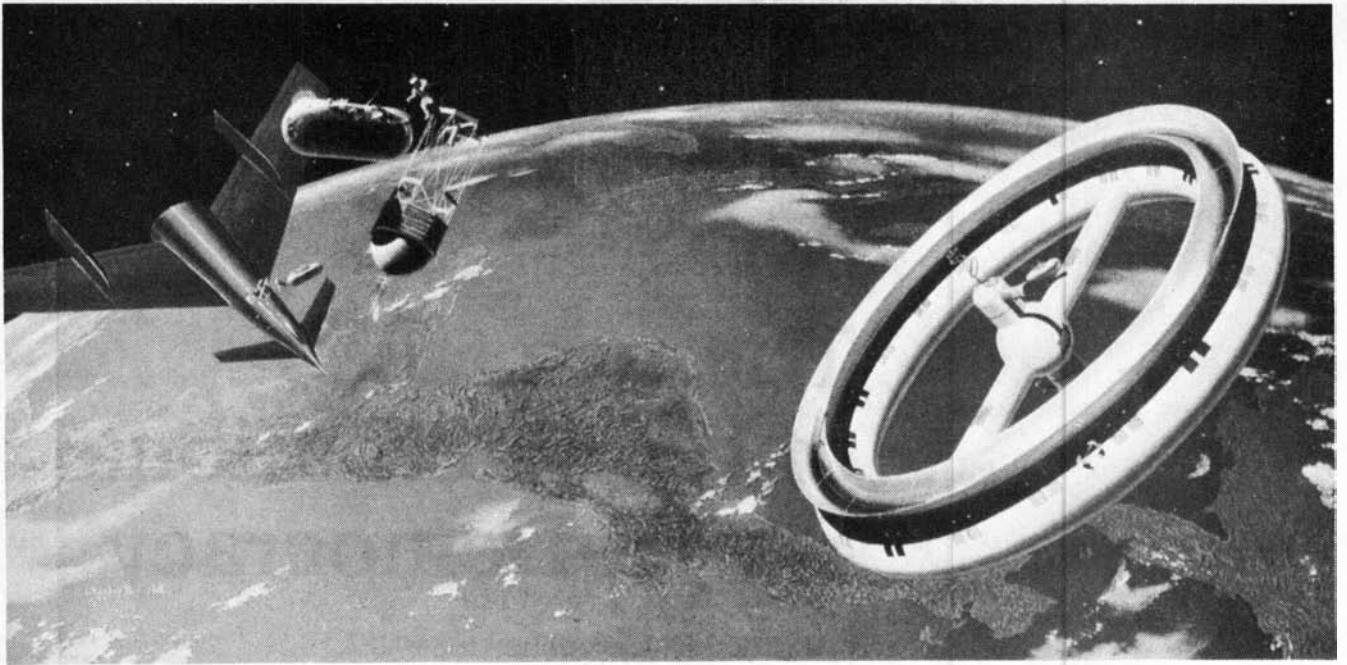
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*The report of the President's Commission, "Pioneering the Space Frontier," with its beautiful color illustrations and popular presentation, is a polemical call for the continuation of the vision of the first generation of space pioneers, as these paintings—the frontispiece of the book—illustrate. "While predicting the future can be hazardous, sometimes it can be done," the caption reads. In 1951, artist Chesley Bonestell painted the vision of space scientist Wernher von Braun (above), showing a reusable launch vehicle on the left, a space telescope near it, and a rotating space station on the right. Artist Robert McCall has produced a modernized rendition (below) of how this vision will actually be realized, in the early 1990s. It shows the space shuttle, the Hubble space telescope, and the space station.*

## The two faces of the international Social-Democracy

by Lyndon H. LaRouche, Jr.

*This is the introduction to a special report on the Socialist International's intervention into Peru, which is currently in preparation by EIR's intelligence staff.*

Willy Brandt's Socialist International has stated its intention to intervene against President Alan García's policy, by aid of the Lima June 20-23 meeting now in preparation. The Socialist International has repeatedly stated its commitment to upholding the International Monetary Fund "conditionalities" policies, as well as continuing to channel political support for international narco-terrorist groups such as the M-19 through such vehicles as *Vorwärts*, the official Social Democratic weekly of Germany.

There are two special features of Brandt's tactic against President García, which distinguish his attack on García from the tactics of the relevant international financier institutions. First, Brandt aims to coopt much of the support for President García's policies, by making the United States the target of anger against "conditionalities" policies, rather than the international financier institutions. Second, Brandt continues the same World Bank economic policies he promoted earlier through the "Brandt Commission": the so-called "appropriate technologies" dogma.

Despite the anti-U.S. posture of Brandt's policies for both South America and Western Europe, the strongest support for Brandt's role in the Lima meeting's preparations, has been an official branch of U.S. intelligence, the AIFLD (American Institute for Free Labor Development) organization more familiarly known as "the Institute." AIFLD, formally a creation and instrument of the U.S. Central Intelligence Agency (CIA), and the principal U.S. intelligence agency on the ground in Hispanic America, is actually a joint operation of bankers such as J. Peter Grace and the international department of the U.S. labor federation, President Lane Kirkland's and Irving Brown's AFL-CIO. Although also an instrument of the international bankers, AIFLD is an integral part of the international Social Democracy, coordinated chiefly through the U.S. branch of the British Fabian Society, the League for Industrial Democracy (LID).



NSIPS/Stuart Lewis

*AIFLD director William Doherty (r.) with AFL-CIO president Lane Kirkland (c.) and the President of Ecuador, León Febres Cordero (l.), a devotee of the cult of "magic of the marketplace." AIFLD is not merely an arm of U.S. intelligence, but an instrument of the same international financiers who are looting the continent, and organizing coups against popular governments.*

It is this, Brandt side of today's Socialist International, which has caused the Social Democracy to be labeled, not unjustly, a force of "social imperialism" on many past occasions. True, this charge was made most famously by the Soviet dictator Josef Stalin, during the so-called "Third Period" of Soviet foreign policy. True, Stalin's charges then were worse than exaggerated when he applied the rubric, "social fascist," to the Social-Democratic organization as a whole. However, Moscow sometimes does tell part of the truth about a situation, although usually for the wrong purpose, and with bad results in practice. If applied solely to a certain leading stratum in the Socialist International leadership, the term "social imperialists" is a scientifically precise, accurate characterization. However, the same care for scientific precision, obliges us to emphasize that the Social Democracy has also a different aspect.

Social Democracy has two faces. One face is the kind of leading political stratum merely typified by the case of Willy Brandt, the part of the Social Democracy which has always been a political tool of international rentier-finance. The opposite face, is the contrary, nationalistic impulses of most of the membership of Social-Democratic trade unions. Although the national, Social-Democratic trade unions will usually defend the Socialist International leadership from attacks by "outsiders," there is a deep difference in instinctive world-outlook between the international leadership and the rank and file. The former are "ideologues" in the worst sense of that term; they are "internationalists" in the worst sense. The best side of the Social-Democratic organizations is their patriotic tendencies.

Historically, the problem has been, that the internationalist ideologues have usually succeeded in using the party loyalties of the patriotic Social Democrats, usually to an effect directly opposite to the most fundamental interests of those nations, and the most vital interests of the Social-Democratic trade unionists themselves.

This foolish credulousness of the patriotic Social Democrats is rather easily understood. The Social-Democratic trade unions were established by appearing to provide ordinary working people with an institution of self-protection. The Social Democrats recruited by saying, in effect, "Join the Social Democracy, and be part of a powerful international institution capable of acting in defense of your interests." Thus, no matter how sometimes violent the policy conflicts between the nationalists of the trade unions and the Social Democrats' international bureaucracy, the nationalists continue their loyalty to the bureaucrats, chiefly for fear of losing the advantages of being part of the Social Democracy as a powerful institution. The nationalists often betray their own fundamental interests, and often do so consciously, for sake of the perceived higher good of continuing to be part of a powerful international institution.

Similarly, although most Latin American trade-union officials know AIFLD to be not merely an arm of U.S. intelligence, but an instrument of the same international financiers' looting the continent in organizing coups d'état against popular governments, those trade-union officials are not only fearful of losing the financial subsidies and other support available through AIFLD and its accomplices. They are also terrified by the very personal danger to themselves, their



families, their friends, by breaking off cooperation with AIFLD.

It is the usual "instinct" of individuals and smaller groupings, to seek to be part of something very big and very powerful. It is the fear of losing connections to such power, and the greater fear of opposing such power, which conditions the otherwise nationalist member of a Social-Democratic organization to tolerate, and even to support the most wicked personalities and policies of the international Social Democracy.

### Is Brandt a Soviet agent?

Throughout his adult life, Willy Brandt has been an agent for various powers foreign to his native Germany. While in Norway, at the beginning of World War II, and in Sweden later, he was an agent of British intelligence, assigned to assist the British Strategic Bombing Survey in bombing raids against the residential areas where German industrial workers' families lived. According to official U.S. records, the British turned Brandt over to U.S. wartime intelligence.

Later, according to a public report by John J. McCloy, which McCloy supplied in introducing Brandt to a New York City audience, Brandt had applied to McCloy for a post in the postwar U.S. intelligence services in Germany. McCloy stood, his arm around Brandt, as he made this report. McCloy avowed, that he had had doubts about Brandt's worth, but that McCloy's wife had intervened, to ensure that Willy was given a chance to prove himself. Brandt's role as a postwar U.S. agent was personally confirmed to me by a regular beer-drinker partner of Brandt's, from the time in Berlin when both were working out of the same office of the U.S. intelligence services there.

The U.S. intelligence services' advancement of Brandt's rise to chancellor of West Germany, has been documented in great detail. It was the U.S. agency in West Berlin, which rigged Brandt's sudden rise from political anonymity to become Berlin's mayor. In 1963, it was McCloy personally who ordered that a Brandt then under the control of Egon Bahr be groomed to learn table manners, and not to wear brown shoes with a black suit, to prepare Brandt to become chancellor. This detail I know from eyewitness testimony of those directly involved in the "grooming" operation.

However, even by 1961, while still unquestionably a creature of the U.S. intelligence services, Brandt showed signs of being also, in some significant sense, a Soviet agent. A friend of mine, already a high-ranking intelligence operative, and then a Berlin station chief for a leading branch of U.S. intelligence, was in charge of processing intelligence from U.S. assets in East Germany. This station chief prepared a report on the details of Soviet dictator Nikita Khrushchov's instructions to the East Germans on running the Berlin Wall crisis of that year. My friend prepared this report to be transmitted directly to President John Kennedy; it never reached the President. Willy Brandt had been consulted on

the report, and the report had been torn up in Berlin on Brandt's advice. On the basis of the effects of Brandt's intervention in this case, Khrushchov saw the President's misinformed handling of the Berlin crisis as signal for the Soviets to go ahead with launching the 1962 Cuba missiles crisis.

Today, Brandt is an agent of Soviet influence, without question. Brandt's Social Democracy is now openly allied with the Soviet-financed, terrorist-sympathizer Green Party of West Germany; the German Social Democracy has stated that it intends to become the government of West Germany by the end of January 1987, and that it will form a coalition government with the Green Party, which will effectively pull West Germany out of the Western alliance. Personally, I doubt that Brandt is simply a Soviet agent. He has made agreements with the Soviets which would have been classed as high treason at earlier times; but Brandt's case is more complicated than that.

I know that Brandt is an asset of a faction of international rentier-finance centered in the Venetian-Genoese-Swiss reinsurance cartels, the power behind the major Swiss banks and the international food-monopoly-cartels. The inferior elements of this reinsurance cartel-group include the principal international banking institutions of such locations as London and New York. I also know that Brandt has been owned politically by a very specific sector of this financier cartel-group, the section of Western rentier-finance which was in partnership with the Soviet intelligence services during the 1920s, the partnership which Chekist chief Felix Dzerzhinsky named "the Trust."

Briefly, the complicating factor in the Brandt case, is this. I give a thumbnail sketch of the history of the Trust.

The Bolshevik Revolution was a project organized jointly by a section of the Russian secret police, the Okhrana, and a cabal of Western financier interests. This operation was behind both the 1905 and 1917 Russian revolutions. The central feature of this operation was the wealthiest and most famous spy in modern history, Odessa-born Alexander Helphand, also known as "Parvus." Parvus was Leon Trotsky's controller in the 1905 Russian Revolution, with whom Parvus worked out the dogma of "Permanent Revolution." Parvus personally bankrolled the Bolshevik Revolution of 1917.

After the Revolution, the new Bolshevik government set up a partnership with those Western financiers who had bankrolled the Bolsheviks. This partnership arrangement, set up through very highly placed British channels, was originally established by joint actions of the head of the Soviet secret police, Dzerzhinsky, and Leon Trotsky. It was known as "the Trust." Later, Trotsky was pushed into a secondary position, and replaced as leader of the Russian section of the Trust, N. Bukharin.

The names of Trotsky and Bukharin have the lasting significance of being the key figures of the Left Opposition and the Right Opposition, respectively. These Oppositions were never more than marginally significant as a political



force inside Soviet Russia; the strength and importance of the two Oppositions was always located inside the Communist International. For today's practical purposes, the point is, that the Communist International was never controlled by Russia; it was, in all essential features, bankrolled and organized by the Trust. The faction among the Bolsheviks associated with the foreign partners of the Soviets in the Trust, were often described in Russian Bolshevik circles as "the cosmopolitans."

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*From 1943 onward, the British and others made repeated overtures, proposing to Stalin a revival of the earlier Trust arrangements. The redrawing of the postwar world's political map at the Teheran and Yalta "summits," was part of this.*

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At the close of the 1920s, Josef Stalin launched an escalating campaign to destroy the power of the Trust over internal Russian affairs. He allied with Bukharin to destroy Trotsky, and then used some of the Trotskyists to assist him in destroying Bukharin's power. This was followed by the Soviet purges of the 1930s, whose principal target was the elimination of the Trust, root and branch, inside Russia.

From 1943 onward, the British and others made repeated overtures, proposing to Stalin a revival of the earlier Trust arrangements. The redrawing of the postwar world's political map at the Teheran and Yalta "summits," was part of this. At the end of the war, London proposed to Moscow that it either accept the proposed revival of Trust arrangements, or face the prospect of "preventive nuclear war." At a 1955 London conference of Bertrand Russell's Parliamentarians for World Government, a Soviet delegation announced the Khrushchov government's hearty endorsement of Russell's proposal to revive Trust arrangements.

To understand the post-1955 turns in international affairs, and Brandt's shifting role, one must ask, "What happened to the Trust's Communist International apparatus outside Russia during the 1929-55 interval of the break between Moscow and its former Trust partners?" The case of a key figure behind today's AIFLD organization, Jay Lovestone, is an excellent, and most relevant illustration.

Jay Lovestone was a LID-linked Social Democrat at New York's City College campus at the time he entered the underground U.S. Communist organization during the early 1920s. As Bukharin rose to almost dictatorial power in Moscow, Lovestone's career inside the U.S. Communist Party rose, too; Bukharin personally appointed him general secretary of the CPUSA, over the objections and opposing votes

of the majority of the CPUSA members! When Stalin toppled Bukharin from top positions of power, Lovestone, together with such other Bukharin protégés as Brandler and Thalheimer in Germany, was soon out of power, too. So, the Bukharinite Right Opposition was formed.

During the 1930s, Lovestone and others of the Right Opposition set up the American Rescue Committee as the key cover for continuing their organization within the Communist International, with Lovestone continuing to profess himself to be a Soviet intelligence agent until about 1938. This Communist oppositional organization within the Comintern worked in intimate closeness with a U.S. ambassador to Berlin, Dodd, using Dodd's daughter as a cut-out to the Brandlerite underground organization in Germany. This operation continued in close cooperation with the *soi-disant* "Quaker" organization, the American Friends Service Committee, and in close cooperation with the U.S. State Department. About 1938, Lovestone broke openly with Stalin, becoming an avowed anti-Stalinist, but the American Rescue Committee and associated elements of the old Communist International intelligence apparatus continued their functioning.

During this period, the Herbert Frahm later known as Willy Brandt, had fled from his native Lübeck, for obscure reasons, to turn up as part of the quasi-Trotskyist aspect of the Left Opposition, and a British agent.

During the war, Lovestone's circles entered U.S. intelligence service formally, but their real influence inside U.S. intelligence developed during the postwar period of the late 1940s and early 1950s. The U.S. State Department and other branches of U.S. intelligence coopted the old Communist Right Opposition apparatus as the leading force for wrecking trade unions suspected of being under Communist influence. In this, Jay Lovestone and his crony Irving Brown, were key.

The way in which Lovestone penetrated to controlling levels in both the U.S. intelligence community and the AFL-CIO, is most relevant to the matter of the Lima Socialist International meeting.

Since the 1930s, the operating base of the Communist International's Right Opposition inside the United States, was the New York offices of the International Ladies' Garment Workers' Union (ILGWU), especially the industrial engineering department of that union's bureaucracy. This union is notorious in the U.S. labor movement for running a virtual slave-labor plantation for garment manufacturers in and around New York City, and for its links to Meyer Lansky's circles of organized crime. The Lovestone apparatus based in this union's bureaucracy, used its function as the center of international anti-communist operations of the late-1940s and 1950s, to gain CIO patronage for Lovestonite penetration and control of what has become the industrial section of the AFL-CIO's national apparatus, and total direction of the AFL-CIO's international department.

This same apparatus is in business partnership with lead-

ing, Soviet-backed cocaine traffickers of the Andean and Caribbean regions, such as Robert Vesco and Carlos Lehder: which explains why AIFLD is so often found in political alliance with organizations and personalities associated with the narco-terrorists in these nations.

To understand Willy Brandt and similar types from the past today, one must pose the question: "Since these fellows broke with Stalin only because of Stalin's attempted purge of the Trust, what did these fellows begin to think and do when Stalin's successors reestablished agreements and relations modeled upon the Trust partnership of the 1920s?"

There is no question but that the Lovestones, the Brandts and so forth continue to maintain their primary loyalties to those international financier interests earlier associated with the Trust. That has not changed to the present day, since the period of the 1917 Bolshevik Revolution. So, AIFLD and the Socialist International give unquestioning support to the supranational authority of the International Monetary Fund. They have also worked to promote many of the policies which the Soviet empire has demanded of Western nations, but only to the degree that Trust associations such as the Trilateral Commission have also promoted such policies.

What is difficult to determine, is whether or not some traditional labor and leftist servants of the Trust have not gone all the way, to become outright Soviet agents. For that reason, we must say that we have doubts that Brandt has become an outright Soviet agent, in the strict sense of the term, since nothing which we have observed him doing goes beyond the scope of present-day Trust-like agreements between circles such as the Trilateral Commission and the Soviet regime.

In assessing those characteristics of the Socialist International which are relevant to its attempted subversion of Peru, the question whether Brandt or any other leading Socialist International figure is actually a Soviet agent in the strict sense, is irrelevant. The relevant characteristic of the Socialist International, is its political control by a group of international finance which is operating on the basis of Trust-like agreements with the Soviet regime. At the top, the Socialist International is a political arm of the same rentier-financier interests which desire to destroy President Alan García, such as the financier forces behind the Trilateral Commission. The top layer of the Socialist International, is the socialist arm of the same forces behind the Trilateral Commission, and therefore conducts bankers' duties under socialistic-seeming disguises.

That is the sort of agent we know Willy Brandt to be, beyond doubt.

### **The shift in the German Social-Democracy**

The principal control over the Lima conference's operations is exerted openly by the German Social Democracy, with discreet but energetic support through AIFLD. Both are deployed to defend the interests of International Monetary

Fund "conditionalities," under the cover of proposing a "softening" of the harshness of present conditions. Both are also primarily deployed against me and my associates personally. The German Social Democracy has stated that it intends to pressure the government of García on the issue of me, and intends to spread the lie that I was behind the assassination of Prime Minister Olof Palme, as part of this operation. AIFLD will deploy lies written by official AIFLD and AFL-CIO adviser, drug-lobbyist Dennis King, to assist this slander campaign against me and my associates.

To understand this operation, one must take into account the apparent change in political character of the German Social Democracy since 1982. It is important to stress, that important sections of the German Social Democracy (SPD), especially trade union-linked circles, were allied with my friends in Germany during 1982, against the Soviet-steered, terrorist-sympathizer Green Party, and with interest in our proposals for equitable monetary reforms bearing upon economic relations between industrialized and developing nations. Now, since 1982, the same Hesse Minister, Holger Börner, who accurately described the Green Party as "eco-fascists" in 1982, is now an ally and defender of the Green Party. Obviously, there has been a significant change in the posture and policies of the SPD.

This change in SPD policies occurred immediately following the fall of the government of the Social-Democratic chancellor, Helmut Schmidt. The suddenness of that change in Social-Democratic policy has a great deal to do with the fact that a Social-Democratic government has institutional features which may cause that government to behave differently than the Social-Democratic party nominally in power. The Schmidt government rested upon a combination of forces, within its support and also within the ranks of the opposition. The government's policies reflected the influence of that combination. Once the Schmidt government fell, the combination ceased to exist; the former parts of the combination fell back to express their various, independent natures.

Essentially, the combination behind the Schmidt government depended significantly upon the support from agricultural, industrial, middle-sized and small business, and trade-union strata which agreed upon the need to defend Germany's interests as an agro-industrial economic power. Although nominally more pro-business than the Schmidt government, the government of Schmidt's successor, conservative Chancellor Helmut Kohl, is dominated by what is recognized in Latin America as a "Friedmanite" orientation, the kind of "free market" dogmas which have been turning Britain and North America into post-industrial scrap-heaps over the past 15 years. Farmers, and smaller and medium-sized businesses in Germany, are being wiped out under Kohl policies, and most of the principal industrial sectors are being greatly weakened, far below their status under the Schmidt government.

As the SPD faced the near certainty of the fall of the

Schmidt government, the leading party and trade-union circles adopted the following policy. Let us accept this defeat. We have been too long in power; being in power, and committed to continuation of old policy conceptions, we have failed to keep up with the changing times. We need to go out of power for a time. During that time, we must change our thinking, and then prepare to come back to power on the basis of radically new kinds of policies. The change from an anti-Green Party to a pro-Green Party posture, was a leading part of that change in thinking.

Since Brandt set up the Brandt Commission under the sponsorship of former U.S. Defense Secretary Robert Strange McNamara, the left wing of the Socialist International has been in support of massive depopulation of the Third World nations. Brandt and his co-thinkers give critical support to International Monetary Fund "conditionalities," by rephrasing the "conditionalities" policy in left-sounding rhetoric. They propose McNamara's World Bank doctrine, "appropriate technologies": unskilled, and marginally productive, labor-intensive methods, without benefit of modern German technology, or any modern technology excepting computers to count the death rolls of the starvation and disease which "appropriate technologies" would ensure. From a German standpoint, they are arguing against German exports, from a Germany which must export about 40% of its industrial capacity to remain economically stable!

They propose that the International Monetary Fund's "conditionalities" policies be imposed, but that more emphasis be placed on inducing the victim nations to do this voluntarily, by adopting "appropriate technologies" policies. Such a policy would serve the interests of the bankers behind Sol Linowitz's Inter-American Dialogue cabal, legalization of the international narcotics-traffic as a source of alternative income!

However, the shift in the Socialist International's policies did not begin with the fall of the Schmidt government. The agreement to make this shift was adopted at a December 1980 conference of the Socialist International held in Washington, D.C. This Social-Democratic shift was supported by the rentier-financier interests associated with the Trilateral Commission, and was effectively supported by that U.S. State Department which contributed a leading part, both to causing the fall of the Schmidt government and bringing the Soviet-directed, terrorist-sympathizer Green Party into the parliaments of Germany. (It was the State Department's policy of "dialogue with the Greens," begun through former Ambassador Arthur Burns and continued vigorously by present Ambassador Richard Burt, which helped to topple the Schmidt government, and to bring the Greens into the parliaments. Secretary of State George Shultz has rather violently defended that policy, even after the Greens played an active part in launching a Soviet-directed insurrection, over the Pentecost holiday, at the Wackersdorf site in Bavaria, and after a more violent insurrection has been scheduled for about June 6-7.)

To understand Willy Brandt's Socialist International today, one must understand the forces behind Brandt, forces such as the Trilateral Commission, and forces associated with Soviet Trust agent Armand Hammer's close association with the private household of the British royal family. It must not be forgotten, that these are the forces also behind AIFLD.

## Social Democrats and Trilaterals

Since the beginning, David Rockefeller's Trilateral Commission has been prominently and repeatedly self-styled, as committed to step-by-step elimination of the institution of the sovereign nation-state, in favor of creating a neo-feudalistic sort of "global society." There is no Trilateral Commission conference, at which the goal of "global society" is not the most prominent theme on the agenda.

The repeatedly stated thesis of the Trilaterals, is the following.

The industrialized nations of North America, Western Europe, and Japan, must gradually surrender national sovereignty, in favor of increasing authority over internal national affairs exerted by a set of supranational institutions typified by the International Monetary Fund. The forces of rentier-finance of these, the so-called Trilateral nations, must define "global society" in terms of arrangements negotiated with Moscow. Once the Trilaterals and Moscow have agreed on a redrawing of the world's political map, and upon the policies to reign in various sectors of the world, both the Trilaterals and Moscow must join forces to ensure the crushing of any force which challenges the global supremacy of such agreements. This means crushing political forces of opposition to "global society" within the industrialized nations. It means, most emphatically, crushing and looting the so-called Third World nations.

The Socialist International is committed to the same general policy of "global society," including the status of subjugated and looted clients assigned to developing nations. In that specific sense, there is no fairer description of the Socialist International than "social imperialism."

The pages following this introduction contain documentation bearing upon the anti-Peru policies which Brandt's Socialist International is bringing to Lima. We conclude this introduction itself with a summary proof of the fact that the Socialist International's "appropriate technology" policies are nothing but support for a Hitler-like crime against humanity.

## Genocide disguised as 'appropriate technology'

The roots of the French variety of fascism, and of the *Sendero Luminoso* [Peru's Shining Path terrorists—ed.] most directly, are found in the circles of Auguste Comte, and the concoction of a series of so-called "new sciences" during the middle to late 19th century: ethnology (anthropology), positivist psychology, sociology, and the Lausanne school of fascist political-economy of Leon Walras. In keeping with

such ancestry, most anthropologists are habitual liars. Nonetheless, it is useful to examine one of the leading assumptions of these nasty liars, the assumption that mankind's most primeval state was of the form of "hunting and gathering society."

If such a form of society, or anything like it, ever existed, the total human population of this planet could not have exceeded about 10 million wretched individuals. In the state that human existence depended upon hunting and gathering, an average of about 10 square kilometers of the Earth's land-area would have been required, to sustain the miserable life of an average individual. Today, the population of this planet is nearing 5 billion persons; most of this increase has occurred since the 1439 Council of Florence, and mostly as a direct or indirect result of policy changes set into motion by that conference. In other words, the increase of the population-density of our planet, and of the potential standard of individual life expectancy and consumption, has depended entirely upon those modifications in social behavior we associate today with the names of scientific and technological progress.

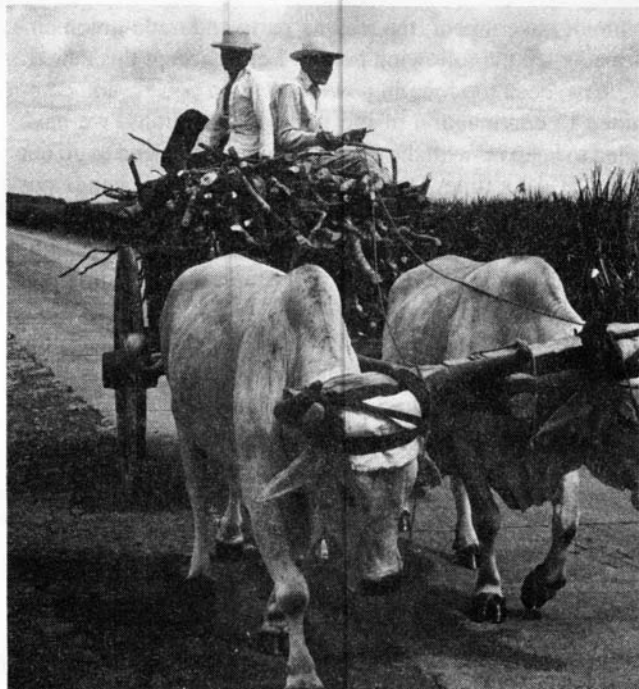
There are two interrelated aspects to such a process of increase of mankind's potential population-density, the one spiritual, the other material.

Scientific and technological progress are the result of creative innovations by individual human minds. They are successful innovations, as they enable society to increase the life-expectancy and quality of individual existence, and as they, at the same time, enable society to sustain a greater density of population. All in keeping with the injunction of the famous 28th Verse of the First Chapter of Genesis.

The success of such innovations always depends upon a very specific kind of agreement between the new ideas and the permanent laws of cause and effect in Creation as a whole. If new ideas are not in improved agreement with those laws, the innovation is false, and a relative failure. If the new ideas are in improved agreement with those laws, the innovation is progress toward truth, and a source of improvement in the potential population-density and of the conditions of individual life.

The power of the individual mind to make and assimilate such innovations, is a fundamental distinction between man and the beasts. We are able to make such discoveries, and to assimilate them for practice, because each healthy newborn infant, of whatever parentage, has an inborn, innate potential for the development of powers of creative reasoning, a power lacking in every beast. This potential is otherwise known as the "divine spark" of potential reason, the aspect of the person which defines him or her as potentially in the image of the living God. It is this potential, this spiritual quality, which defines each of us as human, and which is the true basis for love of God and of fellow human being.

Scientific and technological progress, thus, has a twofold aspect, two interdependent aspects. Scientific and technological progress, as expressed through human labor, is the ex-



NSIPS/Carlos Wesley

*"Appropriate technology," the genocidal policy of Willy Brandt, at work in Panama.*

ercise of this divine spark in the form of labor. To the degree labor embodies such progress, that form of labor is in agreement with the essence of man's nature, the fruitful development of the divine spark of reason.

In opposition to this, labor in modes identical to those of "my father and his great-great-grandfather before him," are modes of labor which degrade mankind morally, to likeness to a beast of burden.

This poses the following questions. What happens in the case that a society adopts a practice of "zero-technological progress," or, worse, attempts to adapt to a lowered level of technology? The cases of the Nazi slave-labor system and the present genocide in progress in large regions of black Africa, indicate something about the answers to these questions.

In the Nazi slave-labor system, the intensity of manual labor performed by slaves represented an output of about 2,500 to more than 3,500 calories per day per person, but the nourishment supplied was between 1,000 and 1,500 calories. After about three months, a healthy victim was reduced to something like a human skeleton, doomed to a probable early death from infection or other diseased condition. In the large regions of Africa ridden with famine and epidemic, the intensity of labor is, on the average, substantially below the Nazi slave-labor system's levels, but the nourishment is as bad or approximately so. As a result, the immune system of the hungry person is drastically lowered in level, and the person is easily the victim of diseases he or she might otherwise resist. As a result of the combined International Monetary Fund "conditionalities" policies and World Bank "appropri-

ate technology” policies advocated by Willy Brandt, about 30 million black Africans are currently in the process of dying, and several times that number are faced with prospect of similar death during the years immediately ahead. Policies which cause such effects can not be fairly described as anything but willful genocide.

There are sections of South America in which conditions of life are reduced to, or nearly to the levels in the genocide-belts of Africa. If the present International Monetary Fund “conditionalities” policies persist, soon larger regions of Central and South America will be reduced to this condition. The authors of the “conditionalities” and “appropriate technologies” policies are just as guilty of genocide as the worst among the Nazi bosses, even if some of them are Social Democrats like Brandt or Brandt’s aide, Klaus Rosen.

Economic science permits us to estimate the effects of either technological stagnation or “ecologist” programs more precisely. The following general principles apply.

One of the conditions for technological progress, is an improvement in the average “market-basket” of per-capita household consumption. This improvement must increase the longevity and average state of health of the individual, provide a better quality of leisure and education, and generally improve average consumption of housing, nutrition, and so forth. These improvements are general conditions which must be met, to sustain a practice of technological progress. If, and only if these human preconditions are satisfied, the requirements for technological progress are the following.

The mode of technological progress is energy-intensive and capital-intensive development of basic economic infrastructure, as well as of agriculture and industry. Basic economic infrastructure includes, most prominently, water-management, production and distribution of energy-supplies, general transportation (especially water-borne and railway freight and passenger systems, with subsidiary road systems), communications, and urban industrial and social infrastructure. The development of infrastructure is the improvement of land-area upon which the development of agriculture and industry depends.

In economic science, the measure of economic performance is “rate of increase of potential population-density,” subject to the general condition of improvement of per-capita consumption already indicated. The increase of potential population-density depends principally upon:

- 1) Increase of the usable energy supplied and applied, both per capita and per hectare. Combined, this is measured as increase of energy-throughput per-capita unit of increased potential population-density.
- 2) The average energy-density cross-section and coherence of energy supplied to primary applications must tend to increase.
- 3) The ratio of employment in rural production, to total labor force, must decrease, subject to the condition that the per-capita physical output of agriculture increases more

rapidly.

- 4) The ratio of employment in production of capital goods to employment in production of consumer goods, must increase (increase of general capital-intensity).
- 5) Technology, as originally defined by Leibniz, must advance.

These six conditions, the requirement for improvement in market-basket of household consumption included, are interdependent. That is, any level of technology requires a minimum level of energy-throughout and energy-density cross-section. Any rate of increase of both energy-functions and technology, requires a corresponding minimum rate of capital-intensity. The realization of any level of technology requires a population culturally able to assimilate it, a cultural potential which depends upon a corresponding standard of living.

For each level of technology, so defined, there is a corresponding level of potential population-density. As the level of technology increases, the potential population-density increases; as the level of technology decreases, or stagnates, the potential population-density falls. When the level of potential population-density falls significantly below the level of actual population-density, the society is approaching that critical level, which is the threshold for conditions of famine and upward spiral of epidemic disease.

The case for technological stagnation needs to be clarified briefly. In the hypothetical condition, of technological stagnation in a society of fixed population size, the result of this practice must be significant, increasing, marginal depletion of at least a critical portion of primary resources used for production in general. This marginal depletion has the effect of increasing the average social cost of production, and thus lowering the potential population-density. Some degree of technological progress would be indispensable, even for the hypothetical case of maintaining “economic equilibrium” in a society of fixed or decreasing population size.

From the standpoint of the levels of technology existing in the United States during the early 1970s, the nations of Central and South America are, potentially, immensely rich in natural resources. The region of the Andean spine contains a concentration of strategic minerals equal to or possibly even much greater than that found on the South Africa shield or in the Soviet Union. The water resources, properly managed, with adequate energy supplied to agriculture, would enable South America alone to provide good nutrition for the entire population of the world; the region around the Rio de la Plata could supply the needs of several billions, alone. With development of energy-intense hydroponics, the food production could be relatively limitless. Misery in this continent can be blamed on nothing but a lack of application of already existing technologies.

Comparably, in Africa, the present agricultural land exceeds that in use in North America. Lack of water management, combined with lack of modern agronomical methods,

is the only cause for hunger in that continent. Granted, these transformations could not be accomplished without aid of major infrastructural projects; but, whoever says that "Africa is overpopulated," is either a liar or a fool. Yet, the Trilateral circles propose to reduce the population of Mexico to about 30 million persons, a goal which could be reached only by the most extreme measures of genocide. The royal families of Britain and the Netherlands, working through institutions such as the World Wildlife Fund, propose to depopulate Africa and other large regions of the world, to make room for species of beasts!

Economic science shows clearly, that today's "radical ecologists" are to be viewed as nothing but mass murderers. Yet, although economic science is needed to calculate the effects of the "radical ecologists'" dogmas more precisely, one need not be a scientist to recognize that the advocacy of "radical ecology" is nothing different than a crime against humanity.

"Appropriate technology," too, is nothing but a recipe for such a crime against humanity. "Appropriate technology" is Brandt's policy. Since this policy of "population control," as official doctrine of the U.S. State Department today, and of others, is directed chiefly against the populations of developing nations, it is not only a crime against humanity, but is naked "Nordic" racialism, of a spirit which converges precisely on Hitler's policies of genocide. Britain's Dr. Alexander King, together with Lord Solly Zuckerman, the founder of the Club of Rome, and co-founder of the Soviet neo-Malthusian organization, the International Institute for Applied Systems Analysis, has explicitly stated, that the goal of the "ecology movement" he founded, was not only to realize Bertrand Russell's stated goal, of depopulating the black, brown, and yellow races of this planet, but also to reduce drastically the population of such "Mediterranean races" as the Turks, Greeks, Arabs, Italians, and Hispanics. That is the bed into which the Socialist International has placed itself, beside the butcher of the Vietnam War, Robert S. "Body-Count" McNamara.

### **The strategic setting**

Many of the most admirable persons of Central and South America, understandably but wrongly, view the United States' adversary relationship to the Soviet Union as more or less an aberration. They assume, understandably but wrongly, that good-faith negotiations between the superpowers might reduce the intensity of the quarrel, and thus make nuclear warfare no longer possible. They assume, understandably but wrongly, that the arms race is a pernicious curse, and that arms ought to be reduced more or less arbitrarily, on such premises.

This is understandable, since the patriots of Mexico and South America have suffered chiefly from the often brutish policies of the United States, policies best described summarily as in the rabidly anglophile tradition of Presidents

Theodore Roosevelt and Woodrow Wilson, policies echoing the British, French, and Spanish butchery of President Benito Juárez's Mexico, and the echo of that policy of butchery and looting which is known, in memory of the wicked Theodore Roosevelt, as the "Roosevelt Corollary."

To the ingenuous patriot of Latin America, it is the United States which is the oppressor, and the Soviet Union thus the adversary of "our oppressor." Even those not so ingenuous as that, tend toward an approximation of such views, or have views slightly colored by such experiences.

One would think, perhaps, that in nations characterized by a Catholic "cultural matrix," in which the traditions of St. Augustine and the 1439 Council of Florence ought to be prominent in consciousness, that a wiser insight into the nature of the Soviet imperial menace ought to prevail among the literate.

Those of Western Europe and North America who walk in the imperial footsteps of Canning, Palmerston, Russell, Disraeli, and Theodore Roosevelt, are doubtless forces for evil. Yet, true statesmen should be able to distinguish the cultural heritages of nations from the often contradictory features of certain among those nations' internal political forces, and from the rather accidental features of certain governments of those nations. Essentially, the strategic issue is this: Which of the two factions shall prevail, the faction in the tradition of the 1439 Council of Florence, or the adversaries of that Council's ecumenical agreements?

I, personally, am very far from being an apologist for the pro-imperialist "liberal establishments" of North America and Britain. I am, personally, the only leading public figure of the United States during recent decades, who has dared to challenge that establishment and its wicked policies openly and consistently, and am therefore inevitably the target of the wildest, most lying calumnies which the U.S. news media, State Department, and AIFLD have ever deployed internationally against any U.S. public figure. I understand the wickedness of the U.S. "establishment," and oppose that "establishment" more consistently for its evil against Ibero-American nations than any modern leader of Latin America.

Yet, I am committed to the defense of the United States against the imperial aggressions of the Soviet empire, and without equivocation. I do this not out of blind patriotism, but because I stand with a clear understanding of the issues of the 1439 Council of Florence. I know, on the grounds of this understanding of the implications of the *Filioque*, that if Moscow becomes the capital of a "Third Roman Empire," as it is obsessively committed to achieving this during the remainder of this century, that the most precious heritage of Western Judeo-Christian culture will be eradicated from this planet.

It is my great fortune, to be involved daily in the problems of many parts of the world, Ibero-America most emphatically, but also Asian nations, Africa, and Europe. I have been fortunate not only to have achieved in significant degree, the





*Alan García, the President of Peru, who declares his aspiration to be both "patriot and world citizen."*

outlook of both an American patriot and world-citizen, but to feel the emotion which patriots of other nations experience in face of the cruel injustices rampant around the world today. Therefore, being so exceptionally well informed, I am not such a naive fool as to believe, that if the Soviet menace were contained, all the major problems of the world would go away.

Nor am I of that curious, "Third World" mentality, which imagines all would be well if both superpowers could be efficiently damned. I have seen evil rampant within "Third World" nations, too; fortunately for the world's population at large, these are weaker nations; even though they might be fully as disposed to evil as the Soviet regime or the worst factions of the industrialized powers, they lack the means to render themselves a global menace. Evil may have more important personifications in the leading forces of some nations, but evil exists on a broader level than its personification as the policy outlook of any state.

The strategic outlook which I recommend to the patriots of Ibero-America, I recommend because it is the truth of the matter. The "global society's" rentier-financier oligarchy, and the Soviet regime are two distinct, if partially collaborating chief agencies of evil in the world today. Although distinct forces, despite their collaborations, they are ultimately sprung from the same evil. Thus, we must contain the Soviet menace, by methods and means which also have the benefit of curtailing the arrogant power of the financier oligarchies.

The principle to be applied was beautifully and succinctly stated by Friedrich Schiller, in a written address on the subject of principles of universal history, "The Laws of Lycurgus and Solon." Lycurgan Sparta was a bestial, sodomy-ridden form of slave society, contrasted with the laws of Athens defined by Solon and amplified by such classical Greeks as Aeschylus and Plato. The Judeo-Christian civilization of the West, sprung from the conjuncture of the work of Philo with the new form of society defined by St. Augustine, is the Christian correction of the errors of omission in the designs of Solon and Plato. Thus, for 2,500 years, all of European history is characterized by the heritage of the conflict between

Lycurgus and Solon.

Russian culture, all ephemeral, surface features brushed away, that we may see the essence, has the crippling moral flaw, of being a continuation of the Lycurgan heritage, as mediated through the decrees of the wicked Roman emperor Diocletian. That is the characteristic feature of Russian culture, and the root of its disposition for evil. However, the Russian pathology is not the only representative of the Sparta-Rome tradition of evil in European culture. The oligarchical system of rentier-finance, radiating from Venice and Genoa throughout Europe, is but a different variety of the same debased view of mankind expressed by Soviet culture. The rentier-financier oligarchies of Venice, Genoa, and Switzerland, which have extended their spawn from Europe throughout the oligarchical factions of each and all of the states of the Americas, are not only fully as evil as the Soviets. It is the natural tendency of both, to converge on the same choice of victims, a choice determined by their common determination to eradicate from this planet the heritage of St. Augustine.

With the rise of Venice-centered Lombard rentier-financier usury, following the 1250 A.D. death of Friedrich II, Europe was plunged into what became the "New Dark Age" of the first half of the 14th century. The population of Europe was reduced by half over this period, even prior to the sudden holocaust of the Black Death. Populations were driven into madness, akin to the bestial, murderous insanity of the *Sendero Luminoso* today. Even the Christian Church became synonymous with the kind of degradation described by Boccaccio. Civilization was near to destruction. Europe was rescued from this by the rise of the Golden Renaissance, centered around the 1439 Council of Florence. The genius of the Golden Renaissance was most profoundly represented by the work of the great canon of the papacy during the mid-15th century, Cardinal Nicolaus of Cusa. Incorporating the great earlier contributions of Dante Alighieri, Cusa established the foundations of modern physical science, and also defined those principles of sovereign states and representative government, upon which principles every advance in the human condition since has depended.

That mankind may live according to the implications of the *Filioque*, self-governed by reason's access to natural law, there are certain forms of government which are essential to a durably moral human condition.

- 1) Nations must be constituted on the basis of development of a literate form of popular language, a language, in the imagery of Shelley, affording the speakers of that language the power of imparting and receiving the most profound and impassioned conceptions respecting man and nature.
- 2) To form a nation, the speakers of such a literate language, must agree upon principles of self-government, principles consistent with that higher natural law which supersedes the constitution, legislative acts, judicial de-

cisions, or momentary popular opinion of any nation.

- 3) Such a nation must be organized around the labor of its people, labor directed to pathways of scientific and technological progress.
- 4) Each such nation-state republic must be absolutely sovereign, subject on this account to no external, temporal authority.
- 5) Each and all such nations, so defined, are unified by common submission to knowledge of the natural law through reason. On this account, associations of such republics constitute a "community of principle," in the included sense of U.S. Secretary of State John Quincy Adams's elaboration of the 1823 Monroe Doctrine.

Our proper strategy, is to serve the furtherance of those principles. Nations willing to be bound by such a community of principle, must be increased in extent, to the goal of becoming the extent of society on this planet. That community and its principles must be defended, from within and from without, and must have sufficient strength to ensure that no malicious force be powerful enough to menace its existence and growth.

We must distinguish between that for which we fight, and that which we fight against. It is not sufficient to defeat evil; it is necessary to advance the good. It is the good alone for which we must be disposed to fight, if necessary; to fight incarnate evil is but an incidental encumbrance in defending the good. If some among our allies are wicked, it is good that they aid in fighting the most menacing evil; but, we fight only for our principle, and serve no other master.

The issue of the wickedness of Brandt's circles in the Socialist International is not limited to the fact that Brandt et al. are serving the Soviet imperial interest, or even the interest of their more immediate masters, the rentier-financier oligarchy. Brandt and his accomplices are attracted to the service of evil, because they are wicked in and of themselves. They have adopted a conception of mankind which is not merely degraded, but which tends to degrade every person who comes under its sway.

In this matter, it is with Brandt as it is with a hired assassin. True, Brandt serves an evil power, the oligarchy, and therefore works for certain of the interests of a second evil power, the Soviet regime. Shall we delude ourselves that a paid assassin, if unemployed, becomes thereby virtuous. Rather, like the paid assassin, Brandt is employed precisely because he has the disposition to do the kind of evil deeds his master requires of him.

"But, how can you say that? Brandt is a respectable public figure!" In his own time, in the places he ruled, Genghis Khan, or Adolf Hitler, was also very much respected. By tolerating the Socialist International conference in Lima, Peru has taken a scorpion to its breast; I fear who might die as a result of the poison so contributed to the political climate of that imperiled republic.

Leesburg, Virginia, U.S.A. June 1, 1986

## García battles Peru's

by Mark Sonnenblick

A war is raging in Peru, as opponents of President Alan García are going all-out to stop his courageous fight against the bankrupt world order of the International Monetary Fund. Peruvian congressman Alberto Valencia, the security chief of the ruling APRA party, revealed on June 2 that three leftist members of Congress are supporters and probably even members of the barbarous Shining Path terrorist gang (*Sendero Luminoso*). This explosive announcement came as the destabilization of the nation, including new acts of terrorism and rumors of coup plots against García, forced the President to postpone scheduled foreign trips.

Willy Brandt and other leaders of the Socialist International will be invading Peru for their annual conference, June 20-23. The circles of Brandt and French Socialist Party Foreign Secretary Lionel Jospin have provided terrorist movements such as Shining Path and the Colombian M-19 with European safe-houses, "charitable" funds, and recruiting platforms. Brandt, in his recent book *Organized Insanity*, defends the IMF from those, like García, who have "the fashionable habit of making the IMF into the international boogeyman."

Shining Path, by the estimate of Peru's interior minister, has caused the death of 13,000 Peruvian civilians, 116 civil authorities, and 285 police and soldiers since launching its terrorist crusade in May 1980. Its support comes from the universities and parliaments of Peru and Europe. Neo-Nazi racialist anthropologists, the protégés of French cultural relativist Jacques Soustelle and the anarchistic left social democrats around Che Guevara's mentor, Régis Debray, have joined the racist project to replace Peru's republic with a synthetic "Indian" totalitarianism.

One of those parliamentarians supporting the terrorists is leftist deputy José Manosalva, who was caught in 1981 in the mountain area of Cajamarca with his mattress stuffed with a small arsenal of explosives, fuses, rifles, pistols, bullets, and knives. After being put near the top of the United Left slate and elected, Manosalva was put in charge of congressional review of imprisoned terrorists!

He boasted recently, "So far I have gained freedom for 60 political prisoners accused of terrorism. I am coordinating with the government to achieve the liberation of another 160 detainees." Manosalva would probably be in Canto Grande prison today, were it not for Amnesty International's Bel-

# terror insurgency

gium branch, which applied so much pressure on Peru in 1982-83 that he was released just long enough to be elected and sworn in as a deputy—thereby gaining parliamentary immunity from prosecution.

The defenders of the Shining Path inside García's own APRA party, may be the major obstacle to his war on terrorism. APRA General-Secretary Armando Villanueva persists in seeking "dialogue" with the murderers, and traveled to London and Paris just after García's inauguration last July to work out plans with Amnesty International for a "human rights" inspection of Peru. He has made repeated stops there, in between his stays in Cuba and the Soviet Union. Other key members of the party have similar itineraries and, like Villanueva, oppose García's "abuses" against the kingpins of Peru's cocaine trade.

The United Marxist Party (PUM) announced May 29 that it had just met with Villanueva and other APRA leaders. PUM is the most radical wing of the United Left popular front. They protested the "growing militarization" of Peru.

## García's men counterattack

On May 31, Valencia announced on the floor of Congress the names of three United Left Party Deputies who were "direct participants and accomplices in acts of terrorism." Then he gave a press conference in which he named two leaders of the United Left as responsible for "the wave of destabilization the country has suffered."

Valencia based his charges on intelligence reportedly obtained through the interrogation of "Comrade Judith" Galván, part of a five-member Shining Path unit deployed to assassinate APRA's organizational secretary, Alberto Kitasono, on May 26. The targeting of Kitasono suggests that Shining Path had inside collaborators, since Kitasono, unbeknownst even to leading APRA party members, is one of García's most trusted personal advisers.

Kitasono used karate to kick the gun out of "Comrade Judith's" hand, and grabbed her for use as a shield, as her comrades gunned down his three APRA party aides on the street next to him.

Valencia, the head of the Chamber's security commission, led a police search of the desks of pro-terrorist congressmen on May 30. Then he started naming names, distinguishing between the faction of ultra-leftists with whom he simply

disagrees on most issues, and those who obtained finances and protection for terrorists, and maybe were closet terrorists themselves. When disavowed by APRA chief Villanueva, Valencia held his ground. He said he was authorized to fight terrorism by the nation, and specifically by the beleaguered people of Ayacucho—the Shining Path stronghold—who elected him.

Meanwhile, the police, using information obtained from "Comrade Judith," raided the University of San Marcos law faculty, where she studied, and picked up 52 students as terrorist suspects.

Shining Path was also escalating. On May 27, a squad blew up a bridge on the only railroad link between Peru's main copper mines in the central highlands and Lima. There will be at least three months of economic disruption before a new bridge can be built.

Leftist Jehude Simons, named by Valencia, responded with cries that he was the victim of a "McCarthyite witch-hunt." To attempt to prove his point, he waved a 1957 newspaper clipping citing Valencia praising the United States as "the leader country of the democracies and the best one for the political and economic interests of the Americas."

He was echoed by a leading APRA friend of the Socialist International who objected to "isolated voices which sometimes speak up trying to disturb what should be a constructive dialogue between the country's two majority forces."

## Strengthening internal order

Amid a terrorist shift into selective political assassination of top leaders and strike waves organized by Maoist and Communist Party-run labor unions, García felt compelled to postpone his scheduled trips to Panama, Europe, and Mexico.

He said May 25 that he was postponing his trip to Panama because, "in order for me to carry the word of Peru as an anti-imperialist government fighting to rescue its national sovereignty from the IMF, and to make common cause against international injustice," the Peruvian people must be "unified and mobilized." He insisted that no solution to Peru's economic problems existed without order or acceptance of authority. "The people are against dictatorships," said García, "but they are also against the weaknesses of democracies which don't know how to defend themselves and affirm their authority."

On June 2, the President renewed the state of emergency in Lima and Callao for another 60 days, and on June 4, he decreed a law improving job security. The day before, he brought into the palace hundreds of leaders from the slum communities which surround Lima. He told them, "There will not be democracy in Peru so long as we have to co-exist with tuberculosis and straw huts. There will be democracy in Peru when each one is a citizen, not because he has an election registration, but because he has a title to his house and his destiny."

## Gramm-Rudman's impact on the U.S. military

by Bob Greenberg

Imagine the following. The Soviet Union is fighting undeclared wars against the West, and, in particular, the United States, on at least four continents. Utilizing their spetsnaz (special forces) and terrorist capabilities, as well as their political allies, they are committed to destroying U.S. influence in Europe, Asia, and the Middle East in the short term. The world has been hit with the most intense wave of "low intensity" conflicts in recent history.

Simultaneously, the Soviets have engaged in the most massive military buildup that history has ever seen. While the Soviets don't necessarily want to fight an all-out war, they are preparing to win such a war, if they cannot accomplish their goals by any other means.

Yet, while one would expect that, in the face of this immediate threat to the very existence of Western civilization, the United States would respond with some form of mobilization of its own, just the opposite is taking place. The Pentagon seems to be totally preoccupied with implementation of budget cuts and structural reforms.

Rather than re-enforcing our allies in Europe, the United States begins a troop withdrawal. Rather than accelerating the readiness and buildup of our armed forces, massive budget cuts are implemented, reducing our readiness to below that of the Carter era. Rather than increasing the funds for the strategic modernization programs and the Strategic Defense Initiative, major cutbacks in the programs are implemented.

Sound fantastic? The conclusions of an ongoing study being conducted by *EIR* on the effects of the Gramm-Rudman-Hollings amendment on the U.S. military demonstrates

that what is described above in rather general terms, is precisely what has begun to take place. In essence, if the Gramm-Rudman bill, or something equivalent, continues to be implemented, we will see the destruction of effective U.S. military capabilities before the next Presidential election.

But, if this were true, you might say, wouldn't the Pentagon and various military organizations be yelling and screaming from the trees? And, anyway, the President would never allow this to occur. It would mean the end of the United States. *EIR* must be wrong.

Wrong again. In dozens of interviews and discussions with senior military personnel, they all acknowledge that implementation of Gramm-Rudman threatens exactly that described above. While the 4.9% across-the-board cuts in the military budget for FY 1986 are tolerable in the short term, they say, the cuts for FY 1987 would have a devastating impact on our overall military preparedness and our ability to fulfill our overseas missions and responsibilities.

Yet, most of them believe that, somehow, at the last moment, the President will step in and prevent this from occurring. Or they believe that the "automatic pilot" provisions of the bill, which activate automatic across-the-board cuts in every budget area without flexibility in implementation, will be declared unlawful before FY 1987.

However, the more astute of them know that this will not occur. "It's an election year. The best gimmick an incumbent congressman has, is to say what a good job they did in reducing the deficit by cutting those fat cats in the military. They're certainly not going to cut everything else and leave

the military untouched. Especially since the 1987 budget will be decided in October 1986, only one month before the elections.”

As to overturning the automatic-pilot provisions, all that does is to enable the services to defer the impact of the cuts for a limited period of time. They still have to make the cuts, and eventually the protected areas will have to be hit as well.

Faced with this dilemma, senior officials in the Pentagon have done the only thing they say they can do—live with it. “We have to accept a constricting universe,” said a spokesman for the Army. “We have to operate within a matrix of constraints.”

The result, according to senior Pentagon sources, is that strategic thinking in the defense establishment has practically ground to a halt. “Rather than think about how we can aid our friends in West Germany, the Pentagon is busy thinking about bringing our troops back and placing them on the U.S.-Mexican border. We’re moving into a fortress America.”

When questioned as to how they can tolerate such a disastrous situation, their only answer is, “All we can do is inform the Congress, but we have to accept whatever the Congress says.”

But you, the citizen, do not. It is for this reason that *EIR* is publishing a detailed picture of what the implementation of Gramm-Rudman will mean for the future of the United States and Western civilization.

### Confused priorities

The flaw in the response of the military is that of accepting the premise that reduction of the federal deficit is a priority—that we live in a constricting universe. Our universe is constricting because the economic programs of the current administration have reduced the United States to a service economy, as real wealth—that is, industrial and agricultural products—is no longer being produced, and, therefore, our resources are constricting.

Instead of cutting ourselves to death, the priority has to be rebuilding the high-technology industrial and agricultural base that is the basis of our nation’s strength. We require a declaration of a national defense emergency, and the implementation of a crash program for the Strategic Defense Initiative.

To fully understand the effect that the Gramm-Rudman cuts have already had on the Army, and the projected impact if the FY 1987 cuts were to go through, it is important to understand the mission of the Army and how its budget is determined to fulfill that mission.

The Army’s mission, as described in the *Green Book* outlining the Army’s budget proposal for FY 1987, is to deter attack on U.S. national interests, and failing this, to be able to engage and defeat any enemy in any environment. To accomplish the defense of U.S. national interests specifically means to:

- Defend North America;
- Deter attack on NATO;
- Inhibit coercion of the United States and allies in the Mideast, Southwest Asia, and Africa;
- Deter Soviet aggression and maintain access to oil in the Mideast;
- Counter Soviet influence in Africa;
- Maintain balance-of-power stability in Asia and the Pacific; and,
- Deny expanded access by any hostile power to the Western hemisphere.

To accomplish this the U.S. Army is deployed as shown in the accompanying map.

**Continental U.S.:** 11 active divisions and 10 reserve-component divisions. (A division is made up of between 12,000-18,000 troops, depending on whether it is a light, medium, or heavy division.)

**Alaska, Hawaii:** 1 division each.

**Europe:** 4 divisions for U.S. Army Europe, and 2 forward-stationed brigades of Conus (continental United States) divisions.

**Korea:** 1 division.

This comes to a total of 28 divisions.

To accomplish its defined mission, the Army budget is broken down into the following components:

Thirty-six percent, or \$28.6 billion, goes to military personnel. This includes all the entitlement payments for the active, reserve, and civilian forces of the Army. This includes pensions for the retired community.

Thirty-one percent, or \$25.2 billion, goes to operations and maintenance expenses. This includes all basic operating expenses from base maintenance and operations, to basic training.

Thirty-three percent, or \$26.8 billion, is for investment. This includes research, development, testing, and evaluation (RDT&E) of new systems. Fifteen percent of this goes for what some call the catalytic enabler, or the dynamic driver component. Simply put, that is the margin of extra training, testing, and manuevers necessary to maintain a peak state of readiness for the Army. As described by senior Army officers, any cutbacks in this area will reduce the Army to nothing more than a barracks Army, virtually ineffective as a fighting force.

This defines a total FY 1987 budget request for the Army of \$80.6 billion. This is the bare bones minimum necessary to adequately service the Army to meet its mission requirements.

From this standpoint, despite the protestations of the Army, the 4.9% uniform cuts for FY 1986 already have a significant impact on the fighting strength of the Army. A review of the impact of the cuts for FY 1986 makes the point (see Table 1).

This means that the training tempo has been reduced by

2.5%, significant reductions in school and mobilization training, delays and stretchouts in RDT&E, reductions in procurement of ammunition, night vision equipment, transport vehicles, tanks, etc.

It should be noted that because of the lateness of implementation, Gramm-Rudman provided a flexibility for FY 1986 that will not be allowed at any other time. In particular, this enabled the Army to prevent any cuts from active or reserve military personnel (although not retired personnel, whose benefits were the first thing affected), and to double the cuts in one area, to protect another. Thus, the Department of Defense used this to protect the Strategic Defense Initiative from any cuts in 1986. The Army protected some of its more important systems in this way.

Although there were no direct cutbacks in personnel, the Army began a policy of encouraging "early outs"—that is, an early release from service—extensions of tour lengths, and a reduction of such things as ROTC scholarships. The result has been the beginning of chaos and morale problems.

For example, the extension of overseas tour lengths from three years to three and one-half years, creates a significant hardship on the soldier. Rather than he and his family returning to an area in the summer months (tours of duty normally end in the summer months) to enable the soldier and his family to adjust before the beginning of a new school year, now, only his family can leave at that time. The catch is that since the soldier is not traveling with his family, the Army doesn't foot the bill, creating a serious financial hardship for the soldier as well.

While not yet having an intolerable impact on readiness, these cuts are a ticking timebomb. In the words of one Army official, "While we may be able to get away with this for now, we are going to have to pay the piper shortly down the line."

Bad as the effects of the FY 1986 cuts are, the cuts demanded for FY 1987 could be devastating for the entire Army mission in the short term. While no one yet knows how high the budget deficit will be for 1987, everyone rightly assumes that unless Congress makes enormous cuts in the overall budget, and reaches some kind of compromise with the President on this, Gramm-Rudman will have to be implemented in some fashion. Unless overturned, Gramm Rudman automatically goes into effect if the budget request is \$10 billion over the legal ceiling, which for FY 1987 is \$144 billion. The question of how, whether by automatic pilot, or in some more "flexible" fashion, is really not that important.

It should also be noted that any hope of avoiding the activation of Gramm-Rudman through compromise, is simply replacing one disaster with another, as evidenced already by recent proposals in both the House and Senate. If the House and Senate reached a compromise on their proposals (\$285 and \$301 billion, respectively, cut from a proposed total \$320 billion) the cuts would likely equal the approximate 9% figure demanded by Gramm-Rudman. In either

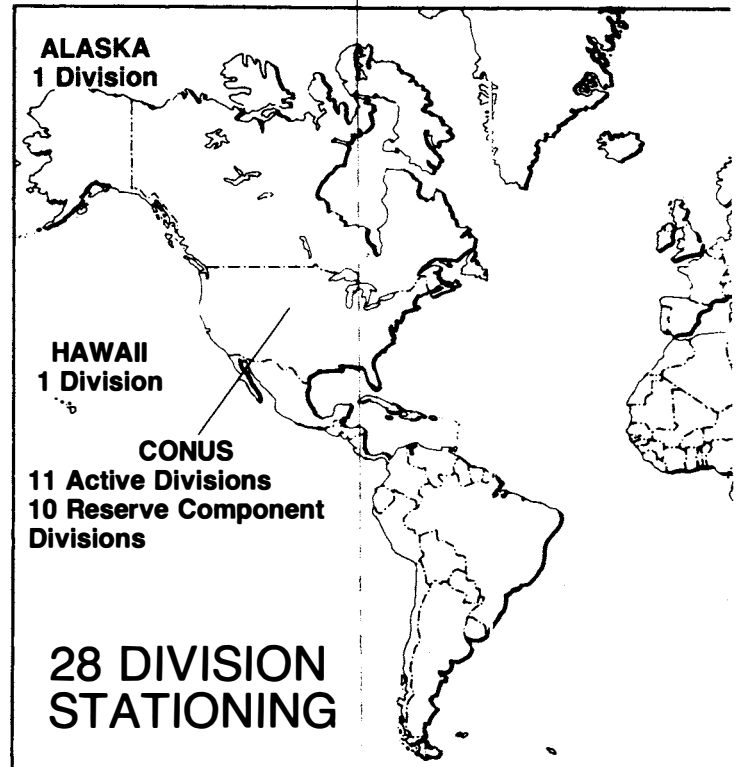
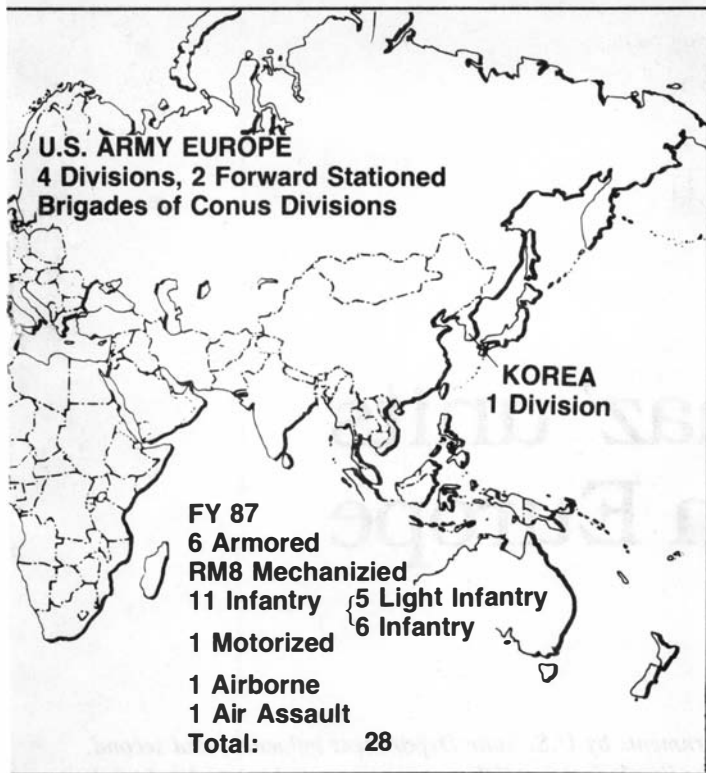


TABLE 1  
**FY86 Gramm-Rudman-Hollings appropriation reductions**

(Total of Appropriations—\$ in millions)

Appropriations	Before G-R-H	G-R-H cuts
Military personnel, Army	\$22,491	\$ 74
Operation & maintenance, Army	20,211	961
Procurement	18,842	924
Aircraft	(3,524)	(173)
Missiles	(2,904)	(142)
WTCV	(4,677)	(230)
Ammo	(2,497)	(122)
Other	(5,240)	(257)
Research, Development, Test and Evaluation	4,841	235
Military construction, Army	1,603	79
Army family housing	1,430	70
Reserve components	8,093	169
Natl Guard personnel, Army	(3,196)	(10)
Operation & maintenance, ARNG	(1,683)	(80)
Military construction, ARNG	(102)	(5)
Reserve personnel, Army	(2,271)	(33)
Operation & maintenance, USAR	(780)	(38)
Military construction, Army Reserve	(61)	(3)
Stock funds	393	19
<b>Total</b>	<b>\$77,907</b>	<b>\$2,531</b>



Sen. Phil Gramm, the "conservative" whose budget-slashing madness is now destroying the U.S. military services.

case, the result is likely to be a disaster, and the beginning of the end for a United States faced with an increasingly growing and active Soviet threat.

### The dismantling of the Army

The single most destructive fact for the U.S. security posture is that, assuming a middle-case scenario of a \$179 billion budget deficit in FY 1987, and a 9% uniform cut, the Army would be forced to reduce its troop strength by nearly 19%, or about 145,000 soldiers. This would hit the officer corps particularly hard, forcing reductions of about 40%; 15% of the non-commissioned officers would also be forced out.

Aside from the obvious problems of reducing U.S. troop strength by one-half, and having to field divisions without effective leadership, this level of troop reductions would force withdrawal of U.S. troops from Europe, leaving Europe undefended. As explained by a senior Army officer, "With two-fifths of our troops stationed overseas, and with it being more expensive to base them there, we will simply have no choice but to begin to bring them back. This won't be a political question. We simply won't have the money to keep them there, period!"

At a time when the Soviets have declared war on West Germany, such a withdrawal would have momentous consequences for the future of the NATO alliance. It would be the beginning of the end. Unfortunately, Secretary of Defense Caspar Weinberger made a back-handed reference to this probability during his last trip to Europe. When questioned as to whether the United States was going to withdraw troops from Europe, Weinberger stated that we are totally committed to keeping all our *combat* troops in Europe. But less than 40% of our troops in Europe are combat troops. The majority are for support and logistics, without which the combat troops are worthless.

Other sources indicate that the United States, through the Defense Department's Richard Perle, is preparing for such an eventuality by pushing forward a little known clause of the Nunn amendment, which would make that legislation's withdrawal of troops from Europe seem more palatable. This clause provides for joint U.S. and European funding of the development of tactical weapons systems for the defense of Europe. "At least we would leave them with something they could use to defend themselves," a senior officer remarked.

Accompanying this would be a cut of about 45% in recruiting, elimination of 30,000-40,000 civilian jobs necessary for operations and maintenance, cuts and stretchouts in all areas of RDT&E, further serious reductions in operations and training tempo, and further cuts in other areas already affected by the 1986 cuts.

The overall impact would be the destruction of the mission of the Army. Within a few years, the Army would be no better than a "Home Guard," acting as a supplement to the U.S. Border Patrol.



## Soviet 'spetsnaz' units strike Western Europe

by Konstantin George

*Editor's Note: Last week, Executive Intelligence Review presented the case that the Soviet Union had launched a war operation against the Federal Republic of Germany, of which the May 17-18 anti-nuclear riots at Wackersdorf were the opening shot. Now, as we go to press, hundreds of thousands of Moscow-manipulated rioting mobs are gathered at five nuclear power sites in that nation, whose explicit marching orders, distributed in millions of leaflets, are to "tear down the gates," and to perform "all forms of resistance against the nuclear mafia."*

*An estimated 4,000 to 5,000 highly trained violent provocateurs, with appropriate military equipment, are expected to conduct operations under the cover of the crazed mob of Greenie environmentalists. Law-enforcement authorities in the Federal Republic would not offer any estimate as to what proportion of these violence-sowing provocateurs may be actual Soviet spetsnaz personnel.*

*EIR, however, has found itself in a highly unusual position: Whereas our evaluation that the current wave of violent rioting is part of a Soviet actual war deployment and not an ordinary radical violent binge, has been not only accepted but also amply corroborated by civilian and military authorities, these authorities chose to maintain official silence. The subject of Soviet spetsnaz deployments inside nations of Western Europe is officially taboo in the Federal Republic of Germany and in Sweden, the two countries with the highest frequency of spetsnaz deployments. Secretly, however, the spetsnaz issue is the most intensively discussed among law-enforcement and military authorities. Political authorities are enforcing a rule of official silence on the subject for two sets of reasons: first, the influence of factions of appeasers and Russian "fifth columnists" maintained inside these gov-*

*ernments by U.S. State Department influence, and second, the simple fact that if the governments under attack acknowledge the attack, they must either take military counter measures against the aggressor, or lose all remaining authority as governments.*

*We offer the following general outline of the character of Soviet spetsnaz deployments in anticipation of information imminently to be developed in the aftermath of the new wave of violent riots presently in progress.*

### **What are the spetsnaz?**

In the recent period, Western Europe, and, above all, West Germany, has been plagued by concerted "Green" violence directed against nuclear power-plant facilities and construction sites, coupled with a wave of terrorism characterized by repeated bombings, arson, and assassinations against key figures in the defense-industrial establishment. In addition to the up-front violent demonstrations at nuclear sites, such as at Wackersdorf in Bavaria, there has been—to cite but one example—at Britain's Sizewell nuclear power plant, a mysterious chain of no fewer than four suspicious "accidents" including fires in the past five months—too many nuclear power plant "mishaps" to possibly be evaluated as "coincidences."

The sabotage, violence, and assassinations that have been hitting Western Europe over the past two years, with ever-growing intensity, are the leading edge of mounting Soviet directed pre-war covert and "Special Operations" warfare.

Moscow has, for such purposes, an "elite of the elite" commando force, with a peacetime strength of well over 30,000, called in Russian *Spetsialnogo Naznacheniya* (Special Designation)—widely known in the West under its Rus-

sian acronym *spetsnaz*. The figure of 30,000 plus is merely the peacetime strength, and, as we shall elaborate later, is irrelevant as a wartime estimate. Total spetsnaz wartime strength is between 100,000 and 120,000.

The spetsnaz forces come under the jurisdiction of the 3rd Department of the GRU's 5th Directorate. The 5th Directorate is commanded by the GRU's 1st deputy head, its number-two man, Colonel-General Pavlov.

Spetsnaz forces are entrusted with key special missions, both directly preceding and timed with the outbreak of war. Their missions include: 1) The assassination of Western political and military leaders; 2) The destruction of crucial NATO targets, such as nuclear-missile bases, ammunition and fuel depots, pipelines, bridges, tunnels, rail lines, communications nerve centers, both military and civilian, airfields and airports, port installations, and military shipping caught in port at the war's outbreak; 3) The seizure of crucial targets, such as bridges behind enemy lines, to be held until the advancing Red Army regular forces reach them.

Soviet spetsnaz forces are specially selected on criteria not only of physical strength and stamina, but also cleverness and cunning, and, extremely important, language skills. They are given the most rigorous training possible. The training not only includes expertise in the art of silent assassination with silencer pistols, long-range rifles with telescopic sights, and chemical- and gas-spray pistols, and expertise in the use of all types of demolitions, but extremely rough long-term survival courses in all types of wilderness—deserts, mountains, arctic climates, forests, etc. A regular feature of the training is the air dropping of a spetsnaz unit in inhospitable terrain, with the orders to reach a designated point up to hundreds of kilometers away, and successfully carry out a sabotage mission there. All spetsnaz soldiers are expert parachutists and swimmers, and those assigned to the four spetsnaz naval brigades are expert divers.

The spetsnaz trainee also receives long and thorough training in which he learns all the physical characteristics of the target of his wartime mission down to the minutest detail. Extensive training is conducted inside the Soviet Union and on Warsaw Pact territory whose terrain features most closely approximate the terrain features of the wartime operational zone in the West.

This "terrain familiarity" is further refined through the following procedure. Spetsnaz troops who go into the spetsnaz reserve, are automatically reassigned to jobs allowing them to travel in the West, to familiarize themselves firsthand with their future operational area. Examples include their employment as truck drivers, in "tourist groups," as circus and sports performers, etc., who extensively travel through the very regions and towns where in a future war they will return as "guides" for the spetsnaz unit deployed to perform sabotage in the region. Likewise, ports and harbors are systematically covered by spetsnaz reservists operating in the Soviet Merchant Marine, and airports by spetsnaz reservists employed by the Soviet Airline, Aeroflot.

The Soviet spetsnaz forces are divided into two distinct types of units. The first, and numerically fewer, are the spetsnaz agents, or "sleepers," already in place in the West, long before the commencement of war. They have been systematically infiltrated into Western countries over the past two decades, after thorough training in the arts of killing silently, sabotage and demolitions, and language, so that they "blend in" perfectly in their new environment.

Some of these agents, who work on the basis of small teams, get themselves employed by strategically vital firms, such as armaments companies, utilities, the state railroad, harbor jobs, airports, the military, and government posts, to name but a few areas. Others establish their own firms—such as trucking companies, for example, both in West Germany and West Berlin—or choose "hobbies" such as becoming "amateur" pilots—to create an infrastructure to be utilized by the spetsnaz commando brigades and companies when the order comes for them to cross the frontier right before the outbreak of war. Others, who hold relatively innocuous jobs, have the assignment to stockpile needed weapons and explosives in buried caches, which both the in-place teams and the spetsnaz companies coming from the other side will use to augment their supplies for the pre-war and wartime sabotage missions.

The second, and numerically far greater portion of the spetsnaz, are the 24 spetsnaz brigades, each with 1,300 men. They are allocated on the basis of one spetsnaz brigade for each of the 16 Military Districts inside the Soviet Union, and one brigade for each of the four Soviet Groups of Forces in Germany, Poland, Czechoslovakia, and Hungary. According to reliable sources, there are already two spetsnaz brigades in place with the "Group of Soviet Forces in Germany," given that a brigade is assigned to a group of Armies forming a "Front," of which, under the peacetime order of battle, there are two in East Germany. The remainder are the four spetsnaz naval brigades, one each for the Soviet Northern Fleet (Murmansk), the Baltic Fleet, the Black Sea Fleet, and the Pacific Fleet. In addition, there are 41 independent spetsnaz companies, each with 115 men, attached to every Soviet Army.

### **Main target: West Germany**

The greatest single concentration of Soviet spetsnaz forces anywhere in the world is directed against West Germany, followed by Scandinavia. Spetsnaz forces earmarked exclusively against West Germany include the two brigades based in East Germany, the brigade based with the "Northern Group of Forces" in Poland, and the brigade based in the Byelorussian Military District. In addition to these four brigades, at least half of the brigade based with the "Central Group of Forces" in Czechoslovakia, as well as the five independent spetsnaz companies attached to the Armies of the GSFG, the two independent spetsnaz companies attached to the two Armies of the "Central Group," the one company attached to the "Northern Group," and several independent spetsnaz

companies based in the Byelorussian Military District, are all earmarked exclusively for wartime missions on German soil.

Thus, not counting the "sleeper" spetsnaz agent teams in place inside the Federal Republic of Germany, there exists a peacetime spetsnaz force of nearly 7,500 professional killers and saboteurs for employment, exclusively against targets in West Germany. A "peacetime" spetsnaz force level is however, irrelevant to the consideration of their actual use, since, obviously, what will hit the Federal Republic will be the spetsnaz' wartime strength. If one multiplies by four, one gets a fair estimate of the actual strength that would be employed for special missions on the soil of the Federal Republic. We are talking about a figure of no fewer than 30,000 spetsnaz in wartime, who would wreak havoc on NATO command control centers, communications and transportation targets, infrastructure such as bridges, tunnels, airports, and ports, assassinating military and political leaders, and so on.

The spetsnaz assassination teams (among those stationed on Warsaw Pact territory) are the staff company of each spetsnaz brigade. These personnel are expert assassins and linguists, and would enter the West disguised either as NATO personnel or in civilian guise. The forces of the spetsnaz brigades stationed with the "Groups of Forces" and in the Military Districts of the U.S.S.R. never appear in airborne uniform, which is the "parade" uniform of the spetsnaz. They are quartered under various guises, usually as Signal (Communications) troops.

Infiltrating this large force into West Germany is unfortunately not very difficult. Besides the obvious use of parachute drops and helicopter transport, there are long, uninhabited stretches of the inner German border, and numerous points where unnoticed border crossings could occur. The teams would be received by the spetsnaz agents already in place, and transported in a matter of a few hours—overnight, for example—to almost any point in the Federal Republic, or, for that matter, into the Low Countries and France as well. The Berlin transit routes with their notorious lack of controls for "Western" vehicles denote another easy means for mass covert infiltration. In addition to trucks and other vehicles owned by in-place spetsnaz agents, East Germany has a large supply of West German cars and vehicles confiscated in the dismantling of many *Fluchthilfe* (smuggling refugees out of East Germany) operations over the years.

Next to West Germany, the largest numerical concentration of spetsnaz is facing Scandinavia. These units include the spetsnaz brigades attached to the Baltic and Leningrad Military Districts, as well as the spetsnaz naval brigades attached to the Northern Fleet and the Baltic Fleet. These naval brigades, composed of expert frogmen, are equipped with mini-sub, hovercraft, light transport aircraft and helicopters, to undertake lightning commando raids into Norway and Sweden.

# How Moscow runs

by Rachel Douglas

Four executive members of the West German Green Party visited Moscow in mid-April, just two weeks before the Chernobyl nuclear explosion and one month before the Greens would rampage against police and the transportation system at the nuclear facility at Wackersdorf, Bavaria. Delegation members Lukas Beckmann, Jutta von Dittfurth, Rainer Trampert, and Martina Kostede conferred with high-ranking Soviet officials, including Politburo member Boris Yeltsin (who subsequently attended the West German Communist Party congress in Hamburg on May 2-4) and Vadim Zagladin, deputy chief of the Soviet Communist Party's International Department.

Momentarily silent after Chernobyl, the Greens soon issued the eerie slogan, "Chernobyl is everywhere," then launched their furious frontal attack against nuclear power and industry—in the West.

Nearly overlooked in the Green-engendered melee, was the significance of that mid-April diplomatic sojourn in Moscow: The Greens, whose platform encompasses the destruction of industry in Germany, the dissolution of NATO, and the legalization of pederasty, and who have long been, along with associated terrorist shock troops, the recipients of under-the-table support from the East bloc, now enjoy official party-to-party relations with the Soviet Communist Party.

## An evil professor

Greeting the Greens delegation at the airport in Moscow was Ivan Timofeyevich Frolov, editor of the CPSU journal, *Kommunist*.

Frolov is one of the Soviet Union's top experts in the cultivation and exploitation of anti-science Jacobin mobs as the core of an anti-republican, actually fascist, movement in the West today. He wears academic robes as former professor at Moscow State University and chairman of the U.S.S.R. Academy of Sciences' Scientific Council on Philosophical and Social Problems of Science and Technology. Just the titles of Frolov's scholarly works already point to his affinity with the theoreticians of radical environmentalism in the West. He has written *Contemporary Science and Humanism* (1974), *The Progress of Science and the Future of Man* (1975), *Dialectics and Ethics in the Science of Life* (1978), *Global Problems and the Future of Mankind* (1982), *Prospects for Mankind* (1979, 1983), and *On the Meaning of Life*,

# the German Greens

*Death and Man's Immortality* (1985).

In these books and in numerous articles, Frolov wrote on the themes of "man and the scientific-technological revolution," the need for "a new synthesis of man, science, and humanism," "man and his ecology," and so forth. Frolov always marks himself as a member of the Soviet school of systems analysis, which at bottom is an anti-science cult, denying the power of the human mind and human action to effect qualitative change in the universe (see *EIR*, Vol. 9, No. 2, Jan. 12, 1982). Instead of the creative mind, systems analysts like Frolov's Academy of Science colleague B. Lomov talk about a "self-regulating system with a complex structure." Instead of mastering nature, Ivan Frolov writes (in *Voprosy filosofii*, No. 9, 1981) that scientists must above all proclaim "the truth about the real situation in which man and mankind find themselves as a result of an unwise interaction with the mighty forces of nature. . . ."

Inside the Soviet Union, the systems analysts' job is to find out new and better ways of making the peasant or worker produce, as a cog in the wheel of the Soviet war economy. Turning to the West, Frolov's enthusiasm for the "scarce resources" economics of such institutions as the Malthusian Club of Rome knows no bound.

In the Soviet journal *Social Sciences* (No. 1, 1981), Frolov hailed the work of the Club of Rome's apologist for cannibalism, the late Aurelio Peccei: "Sophisticated answers have come from the Club of Rome. . . . It does not directly take up the question of whether capitalism has a future, but in one way or another, and in different degrees, in line with the objective logic of prognostication, the answer is often negative, both for the whole of the system and for some of its essential traits. . . . In the latest reports of the Club of Rome . . . the solution of global problems and, consequently, the future of mankind, are made directly dependent on a changed 'human quality,' that is, of man's humanistic aims, consciousness and morality.

"This approach stands out most clearly in the seventh report of the Club of Rome and in the book of its president, Aurelio Peccei, *The Human Quality*. . . . The very suggestion that a new humanism is necessary is expressive of a certain dissatisfaction with the existing, bourgeois species, and this, doubtlessly, is a step forward. . . . International cooperation . . . is exerting a deep positive influence on the

entire course of world development, stimulating the process of internationalization, which in the future will become the very basis of the new civilization. Global problems are today the most powerful *stimulating factor* in the development of the world's material and spiritual life towards communism [emphasis in original]."

If Frolov liked Peccei's vision of a "one-world" future, he was brimming with praise for the Carter administration's infamous forecast, *Global 2000*. In an October 1981 interview with the weekly *Literaturnaya Gazeta*, Frolov termed that document, which provided for the elimination of 2 billion people, a good attempt to grapple with "global issues."

## The internationalist Frolov

No humble scholar, Frolov is a long-time collaborator of the CPSU International Department; he has co-authored many articles with its deputy chairman, Zagladin. This is the office at the CPSU Central Committee, which handles Soviet assets abroad in the non-ruling parties, social democratic parties, and, now, the Greens.

With such good connections, Frolov has now vaulted to the editor-in-chief's position at *Kommunist*. He became a member of the CPSU Central Committee in March, at the Party's 27th congress.

Back in 1981, Frolov began to boost the Greens. He told *Literaturnaya Gazeta*, "In the capitalist countries, the broader public is ever more actively advocating the solution of global problems, including ecological problems, in the interests of society. In several countries, special political parties have even emerged (the so-called Greens in the Federal Republic of Germany, etc.). It cannot be said, that their position is entirely consistent. But, on the whole, this is an important phenomenon, born, so to speak, of the spirit of the times. Unfortunately, however, what the public advocates is rarely taken into account by those who wield power."

## Ecology and politics

Later, Frolov became more vocal in his campaign on behalf of a Green insurrection. Writing in Moscow's international weekly *New Times* in October 1984, under the headline "Environmentalists Sound the Alarm," Frolov rushed to the defense of the Greens, who were "encountering bitter resistance from reaction" and being accused of "subordination to Moscow's desire for supremacy." Dismissing the Moscow-Greens link with a weak denial ("The absurdity of such charges is quite plain"), Frolov proceeded to confirm it. "Marxists have criticized the political platform of the Greens," he wrote, "yet they are prepared to cooperate with them in the overall democratic movement for the preservation of peace and environmental protection."

After hosting the Greens in Moscow, Frolov traveled to West Germany on invitation from the Social-Democratic Friedrich Ebert Stiftung, as the head of a delegation of the Soviet Union of Journalists. He was there for a week, includ-

ing the May 16-18 weekend when terrorists from the Greens and the German Communist Party unleashed the violence at Wackersdorf. According to a source at the Friedrich Ebert Foundation, "Frolov had meetings with the various political parties in Bonn, including the Greens. He conferred with Egon Bahr, Moscow's closest ally in the Social Democratic Party, and with the Cologne-based East-West trade group headed by Trilateral Commission executive committee member Otto Wolff von Amerongen.

We have not seen the last of Frolov's diplomacy. In his 1984 *New Times* article, Frolov identified himself as an active member of a new international environmentalist organization called "Man and Nature," based in Varna, Bulgaria. This year (in *Priroda*, No. 1, 1986), he made clear that this outfit will be a major Soviet project in the period ahead. "The interconnection of ecology and politics is becoming more and more evident, not only on a national, but on a global scale. . . . Various ecological social movements are exerting

## The Greens' program for sex with kids

by Lena Mletzko

*Reprinted from New Solidarity newspaper of April 13, 1985.*

Since the Green Party gained representatives in the West German parliament in 1983, not only has the terrorist Red Army Faction gained "a voice through the various Green deputies"; so has the militant West German "sex with children" lobby. The municipal "Homosexual Platform" of the Frankfurt Greens, the similar demands of the Greens of North Rhine-Westphalia, and the legislative initiatives of the Green delegation in the national parliament in Bonn, give a foretaste of the "different republic" which the collective Green movement is striving for.

At the North Rhine-Westphalia regional Green Party conference on March 9 in Ludenscheid, a study group called "HomoPed" voted up the following demands:

"Non-violent sex must never be the object of penal prosecution. . . . Therefore all tort laws are to be canceled which threaten non-violent sexuality with punishment." Consequently, "the entire penal code on sex [must] be canceled [and] subsumed under a new section oriented to the theme of the use of violence. Sections 174-176 of the penal law are particularly to be eliminated. What is hidden behind these sections is nothing other than the threat of punishment for 'sexual abuse of children in custody,' 'homosexual relations' with males under 18 years old and 'sexual abuse of children,' etc., for which prison terms of up to 10 years are prescribed."

Instead, the Greens declared that sex with children is "pleasant and productive and promotes development for both parties, in short, positive."

These formulations, which gained the support of almost 70% of the delegates at Ludenscheid, were taken in part word for word from the so-called "Nuremberg Indian

Commune," whose representatives have been among the standard guests at Green Party conventions. The Nuremberg "city Indians" see themselves as "a run-away self-help group, without pedagogical monitors, principally young people who support children and other young people who have run away." The group is supported by, among others, Green regional parliamentary deputy Annet Marie Roth, the Green Union of Ulm, and the "Homosexual, Transsexual, and Pedophile Federal Trade Union of the Greens." Criminal proceedings have been initiated against the adult leaders of the commune on grounds of "sexual abuse of children," "organized seduction of children," and "dissemination of writings dangerous to youth," as well as larceny.

Following a wave of protests against the Green demand for "free sex with children," a special party convention took place on March 30, 1985 in Bonn, where a slightly toned-down program, "Sexuality and Domination," which called for "equal treatment before the law of homo- and heterosexual contact" and the "abolition of the homosexual sections" of the penal law was passed. For hours, anti-pedophile Greens battled the equally numerous Nuremberg "city Indians" with mustard-bombs, water pistols, and spitballs.

According to a press report, a young couple had mustard poured over their heads because they refused to permit the "erotic-sexual relations" with their 10-year-old daughter demanded by a female "youth lawyer." Amid mutual incriminations of "Nazi," "repulsive opportunists," and "fascist rabble," the police were finally called in.

### Frankfurt is friendly

Sporting the motto "Frankfurt Declares Itself a City Friendly to Homosexuals," the Green municipal platform of 1985 put forward the following demands:

"In education, different patterns of sexual behavior [will be presented] as equally valid possibilities for maturation. . . . In order to oppose theorizing alien to life, individuals who will be open and candid about their forms of behavior will be invited into the classroom whenever possible. . . . Courses for homosexuals in university extension programs. . . . A wide offering of literature by

a more and more tangible influence on world politics. Among them, great significance is attached to the new movement of ecologists in the struggle for peace . . . forming around the journal *Protection of Nature*," published in Sofia, Bulgaria.

In August 1986, Frolov said, this East-West movement will convene a conference on "The Protection of the Environment and the Defense of Peace." Again, the venue will be Bulgaria, the Soviet bloc's most notorious nexus of both anti-science kookery and terrorism.

and about homosexuals (etc.) is to be set up in libraries and made available without restriction. . . .

"Promotion of homosexual culture. . . . Homosexual and lesbian parents are not to be denied custody of their children because of their sexual orientation.

"Relationships: Relationships desired by children and young people are not to be interfered with. Parental rights have no priority over the needs of children and young people. There will be no prevention of the development, the work, and cooperation of homosexual student groups. No prevention of homosexual public-relations efforts in schools and at youth centers. . . . Suitable rooms and financial assistance for a self-governing homosexual center are to be furnished. . . . Abolition of the police file on prostitutes. . . . Spending the night in open places is to be allowed."

Although Green tacticians like terrorist attorney Otto Schily have clearly recognized that an open frontal attack by the Greens on the moral basis of society could cost the Greens the power they urgently need to cripple the most important West German states economically and politically, the Greens are continuing their sexual-politics antics.

Not only have the Frankfurt Greens not backed down from their demands, the Greens in the Bundestag have recently introduced a bill to eliminate section 175 (homosexual contacts between adults) and section 182 (seduction of minors) of the federal penal code.

In the Berlin radical newspaper *tageszeitung*, a letter was published in which parliamentary steering committee member Susanne Langhammer, an opponent of the revised program paper, attacked those "Green men" still occupying the "role of the family father," demanding that they "give up their child-dominating motherly anxiety about 'their children' along with their anxiety about the property and educational claims on and for 'their' children." Ms. Langhammer spoke as the representative of the Federation of Female Pedophilia.

In February 1984, the Green parliamentary faction had initiated a petition drive in support of Peter Schult, who was sentenced to almost three years in prison for homosexual abuse of boys.

## Syria's Hafez Assad wins a respite

by Thierry Lalevée

A month ago, Syria's President Hafez al Assad was contemplating two related threats: 1) the possibility of a war with Israel in Lebanon or on Syrian territory itself, and 2) that Washington would give him the "Libyan treatment" for Syrian intelligence involvement in the April bomb attempt on an El-Al airliner in London and the almost simultaneous bombing of the La Belle discothèque in West Berlin. Evidence mounted linking the apprehended Hindawi brothers in London and West Berlin to the East Berlin-based Syrian embassy and Syrian intelligence. A countdown seemed to have begun. But suddenly, it stopped.

Exemplary is that, on May 26, Italian authorities announced that Judge Sicca, investigating the Rome airport massacre of last December, would present to the press evidence linking the sole surviving terrorist to General al Khouli, chief of Syrian Air Force intelligence and a longstanding personal friend of Assad. However, Judge Sicca's press conference was postponed *sine die*, and Rome withdrew its charges.

In mid-May, to protect himself, Assad had circulated elaborate stories purporting to demonstrate possible Syrian intelligence involvement in terrorism—but against his will. Hawkish Syrian intelligence factions were acting to set Assad up, force his hand, and compel him to lead the country into war, said these reports. That war was at stake is obvious; if Nezar Hindawi had succeeded in blowing up the El-Al airliner, an Israeli attack on Syria would have acquired legitimacy. But the point of all the reports: Assad was not the real culprit.

Whether Assad's ploy worked or not, high-level decisions were taken, both in the United States and Israel, not to go to war with Syria. From Washington, Secretary of State George Shultz almost immediately expressed misgivings at the possibility of an American strike on Syria, right after it was first mooted following the April 15 raid on Tripoli. Then, Assad's old friend, Henry Kissinger, told the *Los Angeles Times* on May 24: "I believe that the Syrian leader limits himself to closing his eyes to the groups that plot in his country. I don't believe he supports terrorism. I have a great appreciation for his ability for calculation. . . ."

Then, on May 30, speaking for the administration, U.N. Ambassador Vernon Walters told French radio that the ter-

rorist connection of "Syria is more complicated," adding without blushing, "We do not have irrefutable proof of Syria's involvement, as we did against Libya's Qaddafi." The same line was echoed the same day by the White House spokesman Larry Speakes, who added, "Syria remains nonetheless on the list of terrorist countries."

In sum, there has been as much high-level diplomatic deployment to save Assad's neck as there had been to denounce Qaddafi and Libya.

Making the matter "more complicated," to use Walters' words, has been, first, Syria's close relationship to Moscow, and second, Damascus's well-known power of life or death over the American, British, and French hostages detained in Lebanon. Walters was candid on the issue: "We believe that our hostages, like yours, [the French] are being held in the Syrian-controlled Lebanese territories."

### Assad gains time

Are these the only reasons for letting Assad off the hook? In fact, there are two others. The elimination of Assad would ruin the scenario of the U.S. Eastern Establishment for a permanent situation of conflict (Israel vs. Syria) to keep the region under manipulative imperial control, on a wider chessboard of regional conflicts with the Soviet Union.

The alternative to such "crisis management" is represented by Israeli Premier Shimon Peres's proposal for a Middle East Marshall Plan, which is adamantly opposed by the State Department, as well as the British government, as Margaret Thatcher made clear during her recent visit to Israel.

There is a complementary to spread the delusion that, upon Saudi prompting, Syria could be led to break with the Soviet Union, and play a positive role in mediating an end to the Gulf War. (For the Saudis to lead such a diplomatic initiative is perfectly natural; Riyadh does it out of desperation, not a desire to whitewash Assad—just to buy him.)

Assad has seized upon such things to gain time. Out of economic need, Damascus has accepted the offer presented by Saudi Crown Prince Abdullah and Jordan's King Hussein, to mediate a mending of Syrian relations with Iraq. In mid-May, Syrian Foreign Minister Farouk al Sharah went to Tehran to urge restraint in the Gulf War, and on May 19, Assad himself went on national Syrian television to announce that he was telling the Iranian leadership "not to threaten other Gulf countries and not to expand the war into the Gulf."

It was all for show: Last fall, Iran cut its oil deliveries to Syria by half because of accumulated debts. Damascus's spiritual power over the Mullahs is very limited—the more so considering the fighting between Syrian troops and the Iranian Hezbollah in Lebanon.

Nonetheless, arriving in Damascus May 24, King Hussein flew on to Baghdad the following day with a proposal for the reopening of the Iraqi/Mediterranean pipe-line closed down since 1982, and an offer of a high-level meeting between the

Syrian and Iraqi leaderships. Baghdad offered proposals of its own: If Damascus wants to help end the Gulf War, it should side with the Iraqi Arabs against the Iranian Persians. Jordan's Prime Minister Zaid Rifai transmitted this answer to Assad on May 27 in Athens.

While helping Syria gain new international credibility, these maneuverings have in no way interfered with Syria's main preoccupation: to consolidate its military and political relations with the Soviet Union and its allies. At the peak of the crisis-period in Syria's international relations in early May, a Soviet military delegation flew to Belgrade where Assad was on official visit, to confirm that Moscow was ready to deliver new MiG-29s and some SS-23 middle-range missiles. The issue was discussed further on May 20 during the visit to Damascus of Lt.-Gen. D. Lizichev, director of the Political Department of the Soviet Army. By early May, a group of Syrian pilots had left for the Soviet Union to train on the MiG-29; sixty of the craft are expected to be delivered to Syria in coming years.

Amid widely circulating rumors that Assad himself flew to Moscow on May 17 for a secret visit, Vice-President Abdel Halim Khaddam arrived most officially in Moscow on May 25 to meet with the entire Soviet leadership. With Khaddam was Gen. Hikmat Shehabi, the Syrian chief of staff. Little was made public of the many meetings with Gorbachov and Defense Minister Marshal Sergei Sokolov, or the political planning sessions with International Department boss Anatolii Dobrynin and Konstantin Katushev, the director for economic relations with Third World countries. Summary statements put out each day underlined Moscow's total commitment to "meet Syria's defense needs."

Khaddam had not even concluded his visit before the commander of the Syrian navy, Mustafa Tayara, arrived in Moscow on May 27 to meet with Admiral Chernavin, commander of the Soviet navy, to discuss deliveries of Soviet submarines. The same day, Syria's culture minister, Nazdah al Attar, was welcomed to Moscow by P. N. Demichev who, just a few days earlier, as Soviet minister of culture, participated in a Soviet KGB conference.

Assad was visiting Greece on May 26 and Romania on May 28. Though his visit to Greece was heralded as his first in a NATO country in 10 years, it coincided with a rise of tension between Greece and NATO-member Turkey. Greece's Papandreou chose to use his toast to his Syrian friends, with whom he signed a defense treaty two years ago, to launch threats against NATO and Turkey. Though officially the talks concerned the Mediterranean and the Middle East, the real issues were Greek and Syrian common interests against Turkey.

Syria may be quiet on the Western front, but evidence is mounting that Moscow thinks the time is ripe for a crisis on NATO's Southern Flank, and Syria has its role to play. Assad has gained the time he wanted.



# Can Botha and Buthelezi act together toward a new South Africa?

by Uwe Friesecke

*The first part of this series by Uwe Friesecke, who recently returned from South Africa, appeared in the EIR June 6 issue.*

In the last 18 months, the escalation of violence in South Africa has received the greatest attention in the international media, which has for the most part determined political discussion in Western capitals. However, the most important political changes in the country have hardly been considered by the media, or falsely presented. Among such changes are, on the one hand, the serious efforts of President P. W. Botha and a group of reformers in the National Party and the military to abolish the apartheid system. On the other hand, there is the success of Chief Buthelezi, chief minister of KwaZulu, in beginning to lay the foundations for a peaceful transition to a government of shared power between blacks and whites.

Both political groups are attempting to define a programmatic platform and create new state institutions in order to achieve the unity of a new South Africa. It is Botha's merit to have torn down, against embittered resistance from his own white base of support, important struts of the apartheid system, for example, the pass law, the influx control laws, and, recently, the Bantu educational system. It is Chief Buthelezi's merit to have built up a peace movement, the Inkatha, whose efforts can contribute to overcoming the conflict of interests between white and black groups in South Africa. Buthelezi was the only black political leader who successfully resisted the nonsensical Homeland Plan, with which the apartheid system was supposed to be saved in the 1970s. In place of that plan, he has begun to demonstrate in the province of KwaZulu/Natal, by means of a major meeting, an *Indaba*, involving representatives of every ethnic group, that blacks, whites, Indians, and coloreds can rule together without ethnic segregation.

## **P. W. Botha's reform efforts**

If these political projects succeed, the important question, that of the identity of the new South Africa without apartheid, must be answered. That is the greatest challenge to those who are politically responsible in South Africa.

The same party that in the mid-1950s sought to cement the apartheid system under the leadership of Dr. Verwoerd, has moved, in the last 18 months, to abolish this system. Primarily responsible is P. W. Botha, who is celebrating his 50th jubilee year in politics. His goal, which must be taken seriously, is to effect the abolition of apartheid while saving the nation of South Africa. This fact is acknowledged in particular by representatives of the blacks, who have experienced the injustices of the apartheid system through long decades, and today testify to the change.

In 1954, Dr. Verwoerd explained the reason for his policy of a separate Bantu educational system for the black population groups: Blacks, he declared, shall not enjoy the same higher education as whites since that would permit them "to graze in pastures that are not their own." Practically, that meant that the majority of black students were deliberately cut off from any scientific training. More than 30 years later, in May of this year, the South African minister of education, G. Van N. Viljoen, stated that this educational concept is outmoded and announced extensive material and conceptual improvements in black education. Viljoen's announcement was received with enthusiasm by representatives of Inkatha, since it is the beginning of the creation of completely equal education in South Africa, independent of ethnic origin. A similarly meaningful impact is expected as a result of the abolition of the Pass Law, eliminating an important barrier to the creation of a unified citizenry.

The practical changes are visible to the visitor to South Africa. The notorious signs in front of banks or public parks, "Whites Only," have vanished, and the center of a city such as Johannesburg now gives the same impression as that of any major city. Even in the provinces and the countryside, where the apartheid system has traditionally been most savagely adhered to, changes have been pushed through. Thus, for example, hotels in Newcastle, a steel center in northern Natal, gave up discrimination against blacks approximately four months ago, and now accept any prospective guest.

The usual reproach made against President Botha, vis-à-vis his efforts to effect change, is: too little, too late. This

reproach ignores the delicate position in which Botha finds himself. He has set out to abolish apartheid in the full consciousness that it can cost him his political position. There are voices now warning that, were an election held, Botha would not win a majority among the white population. The neo-Nazi Afrikaner Resistance Movement has gained considerable popularity, and is able to mobilize 6,000 or more followers at public appearances of its leader, Eugene TerreBlanche.

The reformers of the National Party have recognized that the successful process of industrialization of the country has created the conditions necessary for overcoming racial segregation, conditions which can no longer be imagined away. Urbanization and the higher qualifications required of the black industrial labor force are to a certain extent the objective social dynamic that makes the apartheid system obsolete, even for its former proponents.

The question still left unanswered by the reform group is that of the nature of political power sharing of all ethnic groups. In order to find an answer, the President has called a National Statutory Council into being. Whether this council is successful or not will essentially depend on to what extent important black political leaders can resolve to collaborate.

### **Chief M. G. Buthelezi's successes**

In 1972, various leaders of the outlawed African National Congress still living in South Africa, approached Chief Buthelezi about founding a new black liberation organization that was to fill the political vacuum created after the old ANC was taken over by foreign intelligence services, primarily Soviet, and it adopted a course of violence. These discussions took place in Soweto, and resulted in the creation of a committee which, between 1972 and 1975, produced the basis for the April 1975 founding of the Inkatha movement. Buthelezi became president of the movement. Since then, Inkatha has grown to 1.1 million dues-paying members, and is the largest organized political force in South Africa. Virtually all the leading founding members of Inkatha were former leaders of the ANC and close co-workers and friends of Albert Luthuli, president of the ANC until its prohibition in 1960.

Chief Buthelezi himself joined the ANC youth organization as a student in 1948. He comes from a proud family tradition, and traces his roots back to the famous founder of the Zulu Nation, King Shaka. His forebearers were prime ministers under Zulu kings, and he presently holds that office himself. In 1972, he became the executive counsellor of the KwaZulu Legislative Assembly, and, in 1976, chief minister of the KwaZulu.

The majority of members of Inkatha are members of the Zulu Nation, which represents approximately one-third of the black population of South Africa. The opponents of Buthelezi attempt to reduce Inkatha to just one more ethnic organization, in order to limit its freedom of action. On the con-

trary, Inkatha from the beginning was a liberation organization standing above all ethnic groupings.

Inkatha is the only organization which has opposed the escalation of violence by the United Democratic Front (UDF), the legal front of the ANC. For that reason, the UDF/ANC is presently attempting to carry the violence into the regions controlled by Inkatha, especially KwaZulu/Natal and parts of the Transvaal, such as Soweto. The ANC's Moscow-ordered tactic is to attempt to eliminate Buthelezi and Inkatha as political factors. Up to this point, that has been success-

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*The founding convention of the United Workers of South Africa was a demonstration of the mass support that Chief Buthelezi enjoys. Gathered in Durban were 80,000 members, in opposition to the ANC-controlled Cosatu union organization, which held its May program, also in Durban, with 5,000-8,000 participants.*

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fully prevented, but the primary question is, how long Inkatha's resources will be sufficient to preserve itself?

The founding of a new trade-union organization in Durban, the United Workers of South Africa (UWUSA) represents a considerable broadening of such resources. The founding convention of the trade union became an impressive demonstration of the mass support that Chief Buthelezi enjoys. Gathered in the stadium were 80,000 members, in opposition to the Cosatu union organization, founded at the end of 1985 by the ANC, which held its May program in Durban at the same time with 5,000-8,000 participants. The contrast in size between the two rallies showed the world public that the Western disinvestment and boycott campaigns are rejected by a significant part of the black population, and that, in this respect, Bishop Desmond Tutu, so massively built up in the media, in no way represents the mood of that black population.

Inkatha rejects the ANC policy of violence, and simultaneously, resolutely opposes the Western disinvestment and economic boycott campaigns, since such campaigns primarily hit the black population and contribute nothing to overcoming apartheid. On the contrary, Inkatha supports increased productive investment by Western nations, in order to create the basis for successful political changes in the country: increasing economic prosperity for all segments of the population.

Chief Buthelezi is now asking from President Botha that he produce an explicit statement of the plans for abolishing the apartheid system, in order to lay the basis for common action toward a constitutional system of shared power with the black population, in contrast to the demand of the present ANC for a power transfer from whites to blacks.

Chief Buthelezi has in the past consistently and successfully refused to accept the independence of the KwaZulu homeland in the northeast of the country. Buthelezi is fighting for an important principle: that of a South African nation whose geographic area is accessible to all, with a single definition of citizenship for each and all, independent of ethnic membership. Chief Buthelezi's goal is a federal constitution, through which the nation will be divided into different provinces according to a federative principle, and under a central government.

Buthelezi can register his greatest success in KwaZulu/Natal. A month ago, the legislative assembly of KwaZulu and its government moved into new parliamentary and governmental buildings in Ulundi, a city rich in tradition. In this northeast region of South Africa, in the southern corner of which lies the industrial harbor city of Durban, there are presently two regional governments: the white provincial government of Natal, with its seat in Pietermaritzburg, and, in Ulundi, the black government of KwaZulu, whose territorial limits are determined only with difficulty, since it is scattered throughout Natal. The inefficiency of this system is shown by the duplication of all administrative functions—there are two health ministers, two education ministers, etc.

Here, Chief Buthelezi has seized upon an important initiative—a conference, to be designated an *Indaba*, which will include political representation from all ethnic groups, whites, blacks, Indians, and coloreds. This conference is sanctioned by the Pretoria government, and is currently working on the *modus operandi* for a unified government for the total province, which will possibly come into existence under the name KwaNatal. The goal of the *Indaba* is to demonstrate that blacks and whites can rule together without racial discrimination. Members of the conference report marked progress, and there is general agreement that the success of the *Indaba* will have a signal effect on the future constitution of the country.

The political changes in South Africa in the last 18 months prove the existence of responsible leaders in the country who intend to work out the necessary changes in the constitution without violence or chaos. But the success of this undertaking is dependent not only on the internal political situation, but also on the effect of the international strategic situation, which is constantly growing more dangerous. Aggressive resolution and courageous far-sightedness are now demanded of the leaders of South Africa, in order to transform the strategic attacks on South Africa into effective weapons against the enemies of their country.

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From New Delhi

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## Playing the British Labour Party card

by Susan Maitra

It is one of those cardinal principles of Indian politics that British Labour is a defender of socialism and the oppressed, and a “friend of India” in particular. Nearly two years of stonewalling by the Thatcher government over Indian complaints of British protection of wanted Sikh and Kashmiri separatist terrorists, has made it seem truer than ever.

Thus it was no surprise when the visit to India of Neil Kinnock, leader of the opposition Labour Party and a man touted for the premiership following the 1987 British general elections, was announced. Kinnock and his wife—who has her own “One World” bandwagon—enjoyed a nine-day red-carpet tour here starting May 25 at the invitation of the ruling Congress Party. The visit included meetings with the top brass, including the prime minister, as well as a special fact-finding mission to Punjab.

No one on the Indian side, starting with Congress Vice-President Arjun Singh, who received the special guests and oversaw their tour, minced words on the aim of the Congress initiative.

As *EIR* was among the first to document, the 1984 assassination of Indira Gandhi was directed from London, where Sikh separatist extremists not only made public their campaign for the breakup of India, but also their determination to murder the prime minister as well. Jagjit Singh Chauhan is the “tip of the iceberg” of the terrorist apparatus, which is not only still intact in London, but also has been assisted by the British government over the past 18 months even while it kept up a steady stream of threats against the current Indian prime minister, Rajiv Gandhi.

As *EIR* has exposed, the Sikh separatists enjoy high-level patronage. One of their guardians, Lord Nicholas Bethell, is a British MP, former lord-in-waiting to the Queen, a peer of the Realm, and, according to charges which forced him to resign a ministerial post in the Heath government in 1971, a KGB agent. Bethell is otherwise distinguished as the creator and controller of the “Afghan freedom fighters.”

What is scandalous, if not surprising, is that presented with the fact, the British government has felt no compulsion to alter its behavior. The trouble began soon after Mrs. Gandhi's assassination, when the British balked at Indian re-

quests for cooperation in shutting down the extremist operation in the U.K. As a result, in early 1985, India canceled a planned U.K. aerospace exhibition, put several defense deals with British firms into deep freeze, and blocked the visit of several British ministers.

Public exposure of the scandal has been accompanied by private diplomatic entreaties by India at every level. Factual details of ongoing criminal activities and their impact in India were provided to back up the requests for deportation of extremists and for a comprehensive extradition treaty between the two countries. Not a few of the extremists harbored in England have committed murder and other terrorist acts in India.

Following the October 1985 stopover visit of Rajiv Gandhi to London, a panel was set up to go into the matter. But the effort faltered after one session. Britain rejected India's proposed extradition agreement—modeled on the treaty Britain has proposed to the United States to cover extremists from Northern Ireland!

By the end of March, as relations worsened, British Foreign Minister Sir Geoffrey Howe paid a hasty visit to India, presumably with a "fresh start" in his briefcase. "The Geoffrey Howe visit didn't take us very far," Indian Foreign Secretary Venkateswaran told foreign correspondents on April 29. We have noted that recently British authorities were able to deport 21 Libyans at the drop of a hat, he said, and yet they haven't been able to get even one Sikh extremist out. When they protest that nothing can be done, Venkateswaran said, "it strains our credulity."

(Amazingly, Britain defends itself on this score on the grounds that the Libyans will meet a "hero's welcome" when they are forced to return to their country, whereas the Sikh terrorists will face trial in India.)

It must have been slightly jarring, then, when Neil Kinnock, after an unusual briefing-visit to Punjab, was asked by his Punjab Congress Party hosts to help change the attitude of his government, he treated them to a lecture that ranged from the need to honor democratic traditions and values to a litany of legal obstacles to dealing with the terrorists in the U.K.

### Stink of hypocrisy

According to press reports from Chandigarh, he sounded for all the world like an echo of Sir Geoffrey Howe. Whether it was his assurances on behalf of Prime Minister Margaret Thatcher, the British government, and everyone in Britain that no one wanted to break India's unity—could a Briton ever harbor such a desire?—or his pompous claims that there has been insufficient evidence presented against the terrorists in Britain, the stink of hypocrisy was too familiar.

In an interview in Bangalore, Kinnock first said his visit to Punjab had convinced him that "the freedom fighters of Khalistan" were terrorists—perhaps he's a slow learner, but

better late than never. But in the next breath he added that it was difficult to take action against Sikh extremists in the U.K., because under British law, action could be taken only against those shown to be involved in and supporting terrorism!

"It's not a matter of policy, but one of basic principle," Kinnock stated, referring to the principle that terrorism is a problem. Of course, he assured his Indian friends, "a Labour government would be fully committed to the effective assertion of this principle."

In retrospect, Kinnock's virtual panic at the thought of India leading a march out of the Commonwealth, a threat Rajiv Gandhi had raised over the southern Africa issue, was a tip-off to his basic orientation. Like the independence of the Malvinas (Falkland) Islands, the prospect of dissolving this last shadow of the British Empire presents the kind of situation in which, in Indian novelist Salman Rushdie's recent words, "All the old imperial values are yanked out again."

The prospect of being legally bound to respect India's sovereignty has the same effect. The worst thing about it, according to Rushdie's observation of the Malvinas war phenomenon, is that it's "impossible to know which way your friends are going to jump."

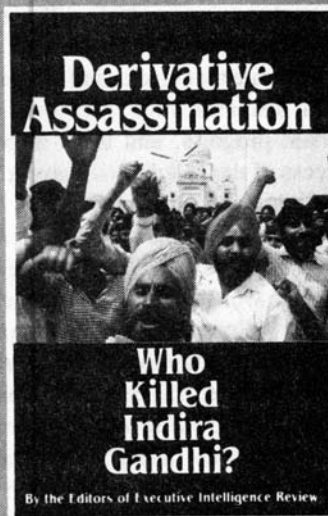
Kinnock has, however, it would seem, made himself perfectly clear.

## Derivative Assassination: Who Killed Indira Gandhi?

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# British foreign office, State Dept. sabotaged resistance to Hitler

An unsigned article in the May 18 *Jerusalem Post*, Israel's foremost English-language daily, has created shock and consternation in certain segments of the British academic and intelligence establishment.

The article was headlined: "Seminar on Opposition to Nazi Regime Told: British Were Unwilling to Respond to German Peace Feelers." The article was about a conference of 45 or so historians, held at Leeds University in Great Britain, during the week of May 12, on the subject, "The German Resistance since 1937," at which speakers provided evidence on how the U.S. State Department and British Foreign Office willfully denied support to organizers of the July 1944 plan to kill Adolf Hitler.

We reprint, in part, the contents of the controversial *Post* coverage:

"Attempts by German wartime resisters to destroy the Nazi regime were let down by the distrust of British Governments, a seminar in the northern England city of Leeds was told last week.

"Survivors of the July (1944) plot to assassinate Hitler, British diplomats of the day, and eminent historians had gathered to discuss opposition to the Nazis before and during the war, and Britain's reaction to it. . . .

"Richard Lamb, the journalist and historian, whose researches on British Foreign Office papers will appear in a book published this summer, *Whitehall Madness—The Failures To End the Second World War*, traced an unwillingness by the British to respond to German peace feelers from the early days of the war.

"Foreign Secretary Anthony Eden had written to Prime Minister Winston Churchill in September 1941 to tell him that Dr. Karl Goerdeler, a leading member of the anti-Nazi opposition, had sent a message earlier that year 'suggesting negotiations in Switzerland, and claimed to represent a group of generals headed by Halder.' Eden commented: 'We have had messages from him before and are not disposed to trust him.' . . .

"Only a week before the generals' attempted coup of 20 July, a note from the British Embassy in Washington informed the Foreign Office of a group attempting to overthrow the Nazi regime.

"Sir Alec Cadogan, then head of the Foreign Office, replied: 'Please thank the State Department for this information and say we fully agree with them in regarding this approach with profound suspicion.'

"Other Foreign Office officials minuted the note from Washington: 'This looks very bogus.' . . ."

## 'An unauthorized leak'

Outside of the organizations and collaborators of Helga Zepp-LaRouche, founder of the Schiller Institute, there has been little or no discussion, in recent years, of how the British Foreign Office and U.S. State Department acted to abort resistance to Adolf Hitler, in particular, how leading Foreign Office and State circles refused to come to the aid of the July 20, 1944 anti-Hitler conspiracy. Although, as the *Post* report on the Leeds conference shows, the information is in the public domain, it has been largely ignored, or suppressed. Blocking knowledge of the German resistance perpetuates the fraud of "German collective guilt" for Nazism, and blocking knowledge of Anglo-American attitudes toward the anti-Hitler resistance, whitewashes the dirtier history of the Anglo-American Establishment during this century.

Informed British sources report to *EIR* that some documents from this period have been destroyed.

The *Jerusalem Post* story itself is shrouded in mystery. A Leeds University source insists that "the *Post* story was an unauthorized leak," and that no journalist was even in the room, except for a British Broadcasting Corporation team only allowed in to photograph the participants.

One individual who attended the Leeds University event, who has requested anonymity, told *EIR*: "What went on at this conference, even though it was an academic conference, was not old hat at all. When speakers got up to discuss British reluctance to support the German resistance, it came very much as a surprise. We were taken aback by this. A battle began, Britons vs. Britons. The Germans, including members of the old resistance to Hitler, were there as witnesses. People were annoyed that this took place, in this way. . . . It is even more surprising, that it has now been published."

The ultimate sponsor of the conference was the Stuttgart, West Germany-based International Committee for World History, described by one member as a "professional trade union of historians." A subcommittee of the Stuttgart group is the International Committee on the History of the Second World War, which has many *national* committees, in Germany, the United States, Britain, and so on. This event was the first significant one between the British and German groups, and the official subject chosen was, "The German Resistance Since 1937." The informal sub-theme was "British reactions to the German resistance."

It was in this context, that the aforementioned Lamb, as well as a London-area media personality and professor, Patricia Meehan, made their interventions, criticizing the Foreign Office and State Department for their role in 1944.

# The Soviet warplan behind the democracy campaign in Korea

by Linda de Hoyos

South Korean President Chun Doo Hwan met June 3 with the leader of the major opposition New Korea Democratic Party (NKDP), to begin negotiations for the revision of the South Korean constitution during Chun's administration. The parliament, dominated by the ruling Democratic Justice Party, has already agreed that after the 1988 presidential elections, to be carried out by an electoral college in that year, presidential elections would be direct. But the opposition, led by Kim Dae Jung and Kim Young Sam of the NKDP, has launched a broad campaign demanding "democracy now."

The two Kims, who enjoy substantial support from the U.S. State Department and the human-rights mafia on Capitol Hill, not coincidentally launched their campaign in earnest immediately after the overthrow of Philippines President Ferdinand Marcos by a U.S.-backed military coup. The crusade for democracy in South Korea, declared the opposition camp, would bring the "warm winds of the Philippines north to South Korea." And even as late as May 27, after the government had begun negotiations with the Chun government, Kim Dae Jung declared at a rally, "If there is no concession from the government, we will take the decision to make mass protest on the streets. We will have the triumph of people power, just as they did in the Philippines."

But the model for the crisis now gripping this key U.S. ally in the Pacific is not the Philippines. South Korea is today, rather, the mirror image in Asia of the strategic crisis in West Germany. In West Germany, the Green Party, backed by funds from Libya and the Soviet Union, is carrying out low-intensity military warfare against the West German government, on direct orders from Moscow. The Green Party shock-troops are protected by the appeasers and Soviet agents of influence of the Social Democratic Party; the Green Party, in turn, acts as cover for Soviet spetsnaz (special forces) deployed as part of the Soviet warplan to break the NATO alliance (see article, p. 38).

In South Korea, the NKDP protects the student radicals, using them as a battering ram against the government. After opposition leaders agreed to negotiations with the Chun government, radical students surrounded an opposition rally, denouncing the opposition leaders as "sell-outs" and attacking the perimeters of the rally. As the police were battling

with the rampaging students, Kim Young Sam threatened the government from the rally podium, "Nobody can stop the billowing flood of democratization. If anyone tries to stop it, he will be a victim of the flood."

The NKDP is demanding that the government release all dissidents as a precondition for resolving the constitutional fight. The party also wants the government to call off its investigation of Mintongyon, a terrorist organization whose leader, Rev. Moon Ik-hwan, was arrested May 27 for his possible role in the major riots May 3 in Inchon. The government has agreed to consider the first demand, but will not accede to the second. "Radical and violent leftism that would encourage the North Korean communists can never be tolerated," President Chun stated, "and attempts to agitate and use the young people are criminal acts against the nation and its history."

## Students camouflage spetsnaz

While the radical students operate within the protective environment set by the NKDP, they, in turn, function as the camouflage for North Korean-deployed spetsnaz infiltrated into the South, out of the 100,000-man special force directed by the insane Kim Chong-il, the man considered the mastermind behind the Oct. 9, 1983 terror bombing of the South Korean government in Rangoon.

Since May 3, the student radicals have taken to the streets in increasingly violent rampages, in riots designed to lead to a repeat of the 1980 student uprising in the city of Kwangju that was bloodily crushed by the government. In the past month and a half, instead of agitating for "democracy," the slogans of the rioters have turned to demands for the total overthrow of the government and for the "Americans to get out." The May 3 riots in Inchon were masterminded by two groups, according to South Korean authorities—the Minmintu and the Chamintu. The Minmintu calls for bringing down the Chun government by boycott, while the Chamintu demands the withdrawal of U.S. troops from the Korean peninsula.

Within South Korea, the binding link between the NKDP and the violent student groups is the Catholic and Protestant Churches. Cardinal Kim Sou-hwan is attempting to play the same role in South Korea, as his fellow Theology of Libera-

tion sympathizer Cardinal Jaime Sin played in the Philippines. The Cardinal meets regularly with the opposition leaders, and has preached from the pulpit for the "democracy" campaign in threatening tones against the government. The Protestant churches, representing 8 million South Koreans, are also backing the campaign, with the National Council of Churches coordinating operations. The Protestant and Catholic churches are strongest in the cities, among the urban middle class, whose youth, under church sponsorship, have turned the universities into hotbeds of radicalism.

In Inchon, the local Catholic Church is under direct investigation for its possible role in aiding the violent riots there. A search of the local parish church found a stockpile of riot-type weapons, including the makings for Molotov cocktails. The student rally against the opposition was, according to reports, led by Catholic priests. One priest was heard shouting, "The U.S. should stop supporting dictatorships."

"The riots in South Korea will get steadily worse," predicted one knowledgeable church worker quoted in the London *Sunday Times* on May 25. "They are not merely emotional things. They are already worse than we have ever known them. But we have seen nothing yet. It is all part of a careful plan." The rioting, he said, has a "ritualized" style, with students regularly assembling at the same hour each day, armed with gasoline bombs and stones, facing police armed with tear gas.

### Troops from the North

Although the radicals of South Korea are aided and abetted by pro-Liberation Theology elements, this is not their only sponsor. On May 18 and 19—the sixth anniversary of the Kwangju uprising—mass rallies were held in cities throughout North Korea in commemoration of the vain attempt by North Korean-guided students to seize power in 1980. Echoing *Pravda's* lauds of the West German Green Party, rally speakers in Pyongyang declared that the "Kwangju popular uprising was a most fierce massive resistance, largest in scale in the modern history of the liberation struggle of the eastern people against autocratic government and for democracy. The Kwangju massacre clearly proved that the Chon Doo Hwan group is a group of human butchers who slaughter fellow countrymen without hesitation to maintain their power, and the U.S. imperialists are neither 'helper' nor 'friend' of the South Korean people but their murderer and enemy." Such statements are then beamed into South Korea.

Pyongyang has also taken a direct interest in the case of Rev. Moon Ikh-hwan, demanding his release and calling the Chun government's labeling of his Mintongyon "a vivid glimpse of the fascist clique's sinister intention to dissolve the federation by force."

The program of Reverend Moon, however, matches precisely the lines of subversion coming from the north. Moon was arrested for illegal entry onto the Seoul National University May 27 and for a speech he delivered to a crowd of 2,000

students on the Kwangju uprising. "Six years ago, more than 2,000 citizens in Kwangju fought without any fear of a shower of bullets. They did so for democracy." According to South Korean press reports, he blamed the problems of the farming sector on the "lack of democracy"; declared that the "problem is that 55% of the 10 million wage earners earn less than 100,000 won a month"; and told the students, "Let's fight against Americans who supported previous and incumbent dictatorial regimes, who trampled on our liberty and who hamper the realization of democracy."

The result of this haranguing was that a student committed suicide by self-immolation on the campus during the speech, an act hailed by Pyongyang as a "resolute act." On May 29, Pyongyang Domestic Service praised self-immolation, declaring, "No matter what tactic they may employ, the oppressors will not be able to extinguish the blaze of resistance burning vigorously among the South Korean students and people. . . . The Chun fascist clique should not drive the students and people to death but step down from power at an early date, as demanded by them."

Such North Korean propaganda takes place at a point when Soviet-directed terrorism is on the rise in Northeast Asia. Tokyo, in the period leading up to and during the May 4-6 summit of OECD leaders there, was the site of several terrorist attacks carried out by the "Middle Core"—a self-avowed left terror group. According to Japanese sources, there is a North Korean component to the "Middle Core." There are nearly 700,000 Koreans in Japan, most of whom are loyal not to Seoul, but to Pyongyang.

Alerts have also been posted from Japan, warning that 15 members of the terrorist Japanese Red Army are heading for South Korea with orders to carry out terrorist acts there. The Japanese Red Army has ties both to North Korean and Syrian intelligence.

In Japan, the anti-American Socialist Party is the "democratic" arm of the terrorists. The JSP also has extensive ties to North Korea, recognizing Pyongyang, but not Seoul. Attempts by its chairman, Masashi Ishibashi, to visit Seoul for discussions with opposition leaders, have been thwarted by Seoul's denial of a visa.

Although North Korea prefers to think of itself as independent—its gnostic brainwashing ideology, *chuche*, is based on "self-reliance"—over the last year, the North Korean regime has pulled far closer to Moscow than ever before. The Soviets, the only power to defend the Rangoon bombing in contrast to China, are now delivering MiG-23s to Pyongyang. In January, messages from Pyongyang delivered to Tokyo by Soviet Foreign Minister Eduard Shevardnadze were seen by political observers as the signal that Pyongyang had come under Moscow's wing. North Korea's 800,000-man army has become a deployable resource in the Soviet war strategy. It is this relationship—and not the opposition's "people's power"-like demonstrations for democracy—that is the key factor determining the increasingly dangerous turn of events in South Korea.



### Will greenshirts rule in 1987?

*The anti-nuclear violence of the Greens has severely shaken the political institutions of the nation.*

Since the outburst of anti-state violence at the nuclear facility construction site at Wackersdorf during the May 16-18 weekend, riots and incidents of sabotage have been reported almost daily from all over the Federal Republic of Germany.

Sabotage of the railway system in the south, riots in the Ruhr region and the north, and destruction of light signals at the Frankfurt Airport, are among the incidents making daily news headlines here. While Radio Moscow reports that there is "a growing sentiment against Bonn's nuclear policy," the well-organized German Communist Party (DKP) and the pro-Soviet Greens provide the main thrust behind this campaign of terror.

As the DKP's official newspaper, *Unsere Zeit*, wrote on June 4, the party's aim is "to merge people's fear of nuclear power with the concern about nuclear weapons." The DKP's nationwide mobilization against nuclear power projects on June 7-8 will build into rallies against U.S. Army bases on June 11-12.

The reaction of the ruling parties in Bonn has been to issue press releases on the alleged "necessity of more concern about the protection of the environment." Giving in to the pressure from the Greens, Chancellor Helmut Kohl even formed a new Ministry of Environmental Affairs on June 3.

After the Chernobyl nuclear accident and the Wackersdorf insurgency, the political landscape in Germany has changed dramatically. As in the Weimar Republic between 1923 and 1933, before Hitler's brownshirts took pow-

er, the Greens and their violent supporters are forcing upon the established parties one legal and political retreat after another. An atmosphere of fear and appeasement is beginning to rule the country.

The situation in the state of Lower Saxony, where legislative elections will be held on June 15, is particularly explosive, as Greens and allied gangs of "punkers" roam the streets, attacking political opponents. Their special target has been the newly formed party Patriots for Germany, which is creating a rallying point for pro-American forces in the country, and has demanded the banning of the Greens as unconstitutional.

Karl-Heinz Derbfuss, the number-two man on the Patriots' election slate, returned home one day at the end of May to find the doorstep and sidewalk outside his home painted with Green hate slogans. There were four incidents of violence in a week's time against Patriots campaign workers in the cities of Celle and Wolfsburg.

The press is providing a cover for these stormtrooper attacks, as newspapers in Lower Saxony refused to print an ad submitted by the Patriots for Germany. One editor was honest: "I would like to print your ad, but I am afraid that the day after it is published, all my windows will be smashed by stones." Other editors made it plain that they sympathized with the cause of the Greens, and would therefore not print anything against them.

The Patriots' ad warned against the riots and Moscow's controlling role in them. Titled, "A Call to the Voters in

Lower Saxony," it said:

"Moscow's terror gangs in Wackersdorf 'demonstrated' what will happen to us, if a red-green coalition comes to power in Lower Saxony. As the terrorists, on indirect command from Moscow, brutally assaulted our policemen, the Greens at their party congress in Hanover greeted each report from the 'front' with frantic applause. . . .

"The Greens have demonstrated by their conduct, that they are not one iota better than the hard core of the terrorists. . . . Moscow showed her true face in Wackersdorf. Therefore, a red-green coalition must be prevented at all costs!"

The ad attacked the cowardice of the ruling politicians in Bonn and of the parties campaigning in the Lower Saxony state elections, pointing to the lessons of history:

"We once again find ourselves in a situation like the end phase of the Weimar Republic, where concurrence of economic crisis and political violence are threatening the existence of the state.

"The only solution is that the Patriots, as the new and stronger coalition partner of the Christian Democratic Union, rescue our freedom and country."

The Patriots' ad concluded with three demands:

"We demand the banning of the Green Party. We demand the unimpeded completion of our safe nuclear power plants, and immediate shutdown of the unsafe ones in the East bloc. We demand complete participation in the American Strategic Defense Initiative program, so that we can have a real defense against Moscow's missiles."

The Patriots printed the boycotted statement in a million-run leaflet, to be distributed before the election.

## Why not name the Russians?

*Whether it's spetsnaz penetration, Czech spies, or the Palme murder: Give credit where credit is due.*

Sweden is forming its own anti-spetsnaz units, it was announced on June 1, after weeks of public attention given to the threat of attack by Soviet special forces—spetsnaz—against Swedish targets. The Commander-in-Chief of the Swedish Armed Forces has assigned the Chief of the Army, Lt.-Gen. Erik G. Bengtsson, the task of conducting training of officers and conscripts, beginning June 9, for special “anti-sabotage units” to be formed within the Army, the Navy, and the Air Force.

An additional 1,500 specially trained military dogs will be stationed at key locations, to upgrade defense against sabotage of wartime airfields, and the base system of the airstation on the Baltic island of Gotland will be expanded, coupled with enlarged air force exercises at the island. Gotland was the scene of an August 1984 incident, in which a Soviet Su-15 jet-fighter simulated shooting down a Swedish civilian airliner, unchallenged by late-arriving Swedish interceptor jets, sent up from an airbase 200 miles away.

Naval defense improvements include measures taken by Commander Hans von Hofsten, known as the leader of the Swedish officers' revolt, who is now heading the Navy Staff's Nautical Department. Mounting special anti-submarine nets, coastal defense units are cordoning off the Hors Bay waters near the large Muskö naval base in the Stockholm archipelago, made world famous by the spectacular September 1982 mini-submarine hunt.

This building climate of emergen-

cy national defense measures was spurred by news published in *Expressen* on May 31: New tracks had been found of a Soviet mini-submarine near the Swedish king's Soliden summer residence on Öland, another Baltic island. Despite official denials, Swedish Navy divers were seen searching the island's coastal sea bed.

Strange footprints were also reported at the Oskarshamn nuclear power station, located on the Swedish mainland coast, directly facing Öland. The footprints may have come from frogmen, and guards at the nuclear power station reportedly had observed frogmen on an islet in the narrow waters separating Öland from the mainland.

These new indications of Soviet spetsnaz activity follow the late-May Jack Anderson columns on a spetsnaz plot to kidnap the Swedish Royal family. The West German *Welt am Sonntag* on June 1 carried a picture of the Swedish queen, the text below reading, “Whether the queen will spend the summer holidays as planned at Soliden Palace on Öland is uncertain, since divers have found tracks of a Soviet mini-submarine on the sea bed there.”

Although media reports universally cite the Soviet spetsnaz threat against Sweden as the obvious cause for the new anti-sabotage measures, no explicit mention of the Soviets—nor of the Soviet term “spetsnaz”—is ever made by official armed-forces spokesmen, in keeping with the Social Democratic regime's notion of “neutrality” as synonymous with appeasement.

Such self-imposed hysterical blindness is now crippling Swedish politics, in which all official mention of the Russian authorship of threats and ongoing operations—evident enough to the average Swede—is considered by the regime a dangerous provocation and potential divulging of state secrets.

One example of such hysterical behavior was the recent expulsion of five Czech spies, where, according to Foreign Minister Sten Andersson, there was no indication of involvement of any “third party”—i.e., Moscow—despite the fact that the spy targets were naval objects, of little interest to landlocked Czechoslovakia.

Another example was the regime's prosecution of *Svenska Dagbladet* for reporting Soviet spetsnaz profiling of Swedish Air Force pilots. Overruling the preliminary verdict passed by the jury in favor of the regime, the judges on May 30 acquitted the defendant, noting that the exposure of the Soviets had not been proven to damage Swedish national interest.

The strongest instance of hysterical blindness, however, is the fraudulent inquiry into the Palme murder. Used as a cover for political tampering against domestic opposition, the investigation conducted by regime loyalist, Stockholm Police Chief Hans Holmér, has refused to pursue leads pointing to the East.

A case in point is the recent murder of a Kurdish immigrant couple outside the city of Eskilstuna, 60 miles west of Stockholm. The Eskilstuna police have discovered a link to the Palme murder, and reports have it that the couple were killed to stop them from “singing” to the police. Palme had been threatened directly by the Kurdish Communist Party (PKK), known to represent a Soviet hit capability deployable as a “cut-out.”

### Stock hoax exposes 'recovery'

*The arrest of slick operator Luciano Sgarlata shows what's behind the boom in "investment funds."*

**T**he recent hairpin turns on the Milan Bourse, the biggest stock exchange in Italy, have offered a glimpse into the total hoax behind the post-industrial "recovery" being touted by Italian Prime Minister Bettino Craxi.

On May 29, truly a "black Thursday," the worst day in 25 years, the Milanese stock market lost 9.82% in one session. Added to the previous days' losses, this brought down the stock market index by nearly 20% in only four days. In this brief period, 40 trillion liras vanished into thin air, and the fact that on Friday, May 30, the index climbed by 7%, thus reducing the terrifying losses of the previous days, was certainly not enough to pacify the stock operators.

The message for the "small investors" who survived is very clear: Keep away from a stock market which grinds up trillions of liras in a few hours—these are things for big sharks with powerful jaws. The so-called experts have come up with various explanations, all straining credulity. Some say that the big drop was due to the fear of a rumored tax on stock market profits; others claimed that a secret letter from two stock brokers to their clients, leaked to the press, provoked the panic.

In fact, the Milan stock market's ups and downs reflect, in a distorted way, what is really going on in the national economy. Italy is fast moving down the post-industrial path, in which the formerly productive industrial giants are playing a crucial role by not

developing basic industry according to actual industrial-capitalist criteria, but building up paper profits on the basis of speculative financial operations.

This strategy is being pursued by Henry Kissinger's friend Mario Schimberni, the chairman of Montedison, the huge petrochemical conglomerate, which he has set on the road to a post-industrial "recovery." Some acute observers have questioned who supplied the capital for such operations. How has the Milan Bourse managed to move in the course of the past few years from a few tens of billions of liras of daily transactions to the 800 billion of recent days, or, as asserted by the director of the Bourse's Control Commission, Franco Piga, to nearly a trillion liras a day?

As *EIR* has pointed out before, in a market regulated only by speculative operations, the only investor who can make these cumbersome speculative maneuvers is "Dope, Inc.," the multinational of illegal drugs, which is always brimming with liquidity and desiring to reinvest their black profits; other investors, whether institutional or not, participate tacitly in the maneuver with the blessings of the central bank.

One of the main covers being used is the investment fund. These investment funds, with 18.7 trillion liras (13 trillion Italian, and 5.7 trillion from otherwise unidentified "Luxembourg" investors), make up 10.8% of the Bourse's capitalization. It is not

too hard to understand how these funds work if we refer to the very recent case of financial operator Luciano Sgarlata, arrested on May 24 when he came up 300 billion liras short in his debts to investors.

Sgarlata, the ex-hero of the financial pages of the Socialist-linked *Espresso* magazine and the darling of the financial weekly *Mondo Economico*, did not come out of the blue. It is worth noting that his mentor was the Bernie Cornfeld who in the mid-1960s was the financial brains behind "Boss of Bosses" Meyer Lansky. As is detailed in the book *Dope Inc.*, by *EIR*'s editors, Cornfeld set up Investors Overseas Services, the forerunner of today's investment funds. IOS bilked poor investors of billions of dollars, but made fabulous profits for the mafia. Italy's homegrown investment funds, backed by the centuries-long experience of the Serenissima Republic of Venice, are starting now to outscore the Americans. From January to April, they managed to pull in \$225 per inhabitant, against the \$200 of the American funds.

Luciano Sgarlata apparently slipped up at a certain point of his dazzling career. All of a sudden the Conso, the oversight institution for the stock market (like the U.S. Securities Exchange Commission), which for years had never noticed anything irregular in his financial operations, and Industry Minister Renato Altissimo, started to move against him. But before they did, Sgarlata's operations ended up on the desk of the prosecutors, who now are looking into no fewer than 400 complaints.

Sgarlata, following Cornfeld's example, promised fabulous profits to naive investors who handed over their savings to him, and he gave them dividends which were just the money from the last investors attracted into the trap. This went on until the castle fell in.

## 'In defense of Western civilization'

*Lara Bonilla's successor urges the incoming government of Colombia to continue the anti-drug fight.*

In a dramatic interview published June 1 in the Colombian daily *El Espectador*, Justice Minister Enrique Parejo González—friend and successor to the murdered anti-drug fighter Rodrigo Lara Bonilla—declared that the fight against the drug traffic is nothing less than “a fight in defense of the fundamental values of Western civilization,” and insisted that it must be carried forward to final victory.

Parejo outlined the numerous laudable successes of the outgoing Betancur government in that war, the most significant being that the godfathers of the drug trade were forced underground, no longer free to strut their financial and political power on the streets of Colombia's cities.

He also pointed to the extraordinary anti-drug collaboration achieved with several of Colombia's neighbors, the extradition of numerous middle-level gangsters to the United States, the eradication by herbicides of almost all of Colombia's formidable marijuana fields, destruction of innumerable illegal airstrips, the seizure of 150 narco-planes and nearly 30 tons of cocaine, and so on.

However, Parejo lamented that the government's many achievements in the war on drugs might have been much greater “had all authorities collaborated with the same interest in the fight. . . .” He did not have to name names, for the justice minister's public battles with the mafia-linked Attorney-General Jiménez Gómez, corrupt judges, and others are well known.

Parejo's full-page interview was

intended as a challenge to the next government of Colombia, which takes power on Aug. 7, to carry the war forward. Yet a number of recent developments suggest that the fugitive godfathers intend to return to Colombia under incoming President Virgilio Barco.

When the United States recently abandoned its extradition request against several of Colombia's leading drug traffickers, after the sole U.S. witness against them had been murdered, corrupt elements of the Colombian judicial system went to work to dismantle the cases against them at home as well.

On June 2, the superior court of Bogota withdrew a standing arrest warrant against Pablo Escobar Gaviria, one of Colombia's two most powerful “godfathers.” The warrant, which had been issued on charges that Escobar had illegally imported into Colombia exotic animals for his private zoo, was withdrawn when the charges were dropped by a court from Escobar's home town of Medellín for “lack of evidence”—despite the fact that that zoo was confiscated by the government two years ago! Within days, the same Bogota court dismissed its case against Escobar and 10 of his associates regarding involvement in the April 30, 1984 assassination of Justice Minister Lara Bonilla, again for “lack of evidence.”

With no arrest warrants outstanding against him, Escobar can not only stroll back into Colombia, but can reoccupy his seat as a congressional al-

ternate, with his parliamentary immunity restored. This, despite the fact that Escobar signed his name to the mafia proposal demanding a government amnesty in exchange for paying Colombia's foreign debt with narcodollars, a proposal issued in 1984 and again this year.

Such prominent fugitives as banker Jaime Michelsen Uribe, the cousin of ex-President Alfonso López Michelsen who chalked up enormous profits during the burgeoning of Colombia's drug trade in the 1970s, while his cousin was in office; drug kingpin José Ramón Matta Ballesteros; and master-thief Roberto Soto, have all pledged to return to Colombia after President Betancur leaves office. Their path is already paved by Escobar, it would seem.

Moreover, the Colombian state council is currently studying a possible constitutional reform which would sanction the moral decay of Colombian society upon which the likes of Escobar thrive. The proposed reform would not only prohibit extradition of Colombian drug traffickers for prosecution abroad (Lara Bonilla had won the fight for extradition at the cost of his life) and forbid presidential reelection (aimed at Betancur), but would eliminate from the preamble to the Colombian constitution, the crucial assertion, “God is the source of all authority.”

Natural law, perhaps better understood as the reign of morality over society, was frontally attacked by former President Alfonso López Michelsen in a 1984 press interview where he tried to justify his collaboration with the mafia assassins of Lara Bonilla by claiming, “Morality has no place in politics.”

Parejo González's challenge to Barco to “defend the fundamental values of Western civilization” was thus never more appropriate.

## Davos group schemes in Brazil

*The real aim of the meeting was to force Brazil to open its banking system to the "globalism" of illicit finance.*

**O**n May 26 and 27, the Swiss Davos group—also called the Swiss-Moscow connection—held its second "round table" on the Brazilian economy in Rio de Janeiro. Before an elite of transnational entrepreneurs, financial oligarchs, and Brazilian businessmen, the Davos bankers pushed the policies of the Group of Seven meeting in Tokyo in May, and the "action program" adopted by the Trilateral Commission at its May 18 meeting in Spain: to set up a new "global" financial system that would wipe out the very concept of national sovereignty. The debt-for-equity scheme inspired by Henry Kissinger has been adopted as the spearhead of this "globalism," and was the central topic at the secretive seminar.

As defined by its president and founder, K. Schawab, the European Management Forum Foundation was set up at Davos in 1971 to embody the concept of a "global society." Schawab said that his private desire is to create a "global market economy." Schawab admitted in Rio that the only difference between the EMF Foundation and the Trilateral Commission is that "we speak of a global economy, with Ibero-America being the key."

The Davos group is an institution of the "Trust," the combination of Western oligarchist and Russian interests that goes back to the turn of this century, and flaunts its Russian connections: In "Davos '86," Soviet Premier Nikolai Ryzhkov appeared via satellite hook-up to answer questions from participants and debate world

economic issues with them.

The select membership list of the Davos group, 600 worldwide, includes financial institutions tied to the illegal drug trade, and the promoters of fanatical population reduction plans, especially against non-whites. Among them are S. W. Warburg of England (its spokesman in the Davos Group, P. S. Zuckerman, is the Warburg director for Africa, India, and Latin America); Nestlé food company; Morgan Stanley International; Reynolds Tobacco International; First National Bank of Boston, linked to massive drug-money laundering; British Petroleum Company; Federal Bank of the Middle East, whose Davos delegate, Keheyar Garo, represents Brazilian trade business interests in Cyprus; the Federation of Austrian Industrialists; Security Pacific Bank; and David Rockefeller's Chase Manhattan Bank, represented by Riordan Roett, political risk consultant for the Western Hemisphere.

The Brazilian co-sponsors of the Davos "round table," headed by Carlos Langoni, former president of the Brazilian central bank, are all notorious zealots of the proposal to trade debt for equity. Langoni & Co. were joined by the Brazilian representative of First National Bank of Boston, Henrique Campos Meirelles, who privately assures foreign investors that investing in Brazil carries no "political risk" whatsoever, since debt will be traded for assets. In public, he brags that over the past year his bank in Brazil conducted debt-equity conversions

to the tune of \$20 million, and this year plans at least another \$6 million.

The immense pressure of the Swiss banks has to do with more than the apparent volume of debt—\$100 billion worth plus \$11 billion in annual interest payments, of which at least \$2 billion could be converted into equity in Brazil. Rather, it is understood that the wholesale move to convert debt to equity would be decisive in destroying the legal barriers which prevent a free-wheeling traffic in international currencies through the Brazilian financial system.

The conversion of debt into equity implies overturning decrees of the central bank incorporated into the Foreign Investment Law, which, if abolished, would reduce the central bank to a collection agency for the foreign banks, at the mercy of foreign "investors" and the stock markets, which have already had unprecedented speculative surges. The package would also include the possibility of direct foreign investment in the stock markets, which would turn them into vast centers of speculation and "laundries" of dirty money from a variety of illicit sources.

In short, the Davos group and their Brazilian friends want to integrate Brazil fully into the "globalism" of illicit finance.

This also explains the sudden appearance in Brazil of the Hong Kong and Shanghai Bank, associated with a leading stock brokerage firm. "Brazil is going to get to know one of the greatest financial groups in the world," announced the huge advertisements in the Brazilian press. It would have been truer to say that Brazil was about to get to know one of the greatest drug-money laundromats in the world. The "Hong Shang" bank was exposed in the book *Dope, Inc.* for its historic role in profiting from the opium trade, continuing down to the present day.

## The PAN in flight forward

*Foggy Bottom's PAN pals are again routed by LaRouche's charges, in a hilarious showdown in Mexico's Congress.*

On May 28, Congressman Jesús González Schmall, chief of the parliamentary group of the National Action Party (PAN), got up in the middle of the meeting of the Permanent Commission of the Mexican Congress to "denounce" a senator from the ruling PRI party for being "also a fervent devoté of the candidacy of Mrs. Debra Freeman to the U.S. Senate for the city of Maryland in the state of Virginia [sic—he does not know geography]."

Almost breathless and in an agitated tone, the PAN congressman went on: "Thus, in the visit here by the aforementioned U.S. candidate of the party of Lyndon LaRouche, probably sponsored by the same senator, together with the Mexican Labor Party and the organ it distributes, *Executive Intelligence Review*. . . . She says that the National Action Party supplied a briefcase full of information upon which the charges of Jesse Helms were based. . . . and concluded that a plan exists to destabilize the government and open the way to the PAN." And he indicated that the cited senator, Gonzalo Martínez Corbala, of the PRI, immediately endorsed the charges, stating that if they were proven, the PAN's party status should be withdrawn.

The hullabaloo broke out after Senator Helms staged hearings on May 13 which were a blatant intervention into Mexican internal affairs, to promote the insurgent PAN party against the government.

The PAN congressman then gave the background of charges against his party by LaRouche associates: "The

LaRouche group has run up and down the country's northern border and without the slightest reserve, one of its envoys, Señor Gandhi, even used city hall in Mexicali [Baja California Norte] to give conferences and make critical analyses of Mexican politics. . . ."

His voice went up another tone as the PAN legislator stated that "since September 1983, after Mr. LaRouche had visited Mexico and had held a meeting, according to press reports, with the President of the Republic, the PAN presented a protest before the foreign secretary to complain about the alleged slanders which, with the same content, had been made by Señor William Wertz, of the same LaRouche group as Señora Freeman, in Los Angeles, California, on Sept. 6, 1983." González continued: "The cited person stated that according to reports in various national papers, the U.S. government has promoted various forms of aid, including monetary, to the electoral campaigns of the National Action Party; that the aim of this support is for the PAN to win electoral victories in the frontier entities, to thus favor U.S. interests and meanwhile destabilize the government of President Miguel de la Madrid; that official U.S. aid is supplied through the State Department and the Justice Department, the latter by means of the FBI. . . ."

After reading three years' worth of press accounts, the PAN spokesman ended by asking the foreign secretary to investigate Sen. Martínez Corbala's ties to LaRouche and clarify what he deems slanders.

The ensuing discussion led to the majority of congressmen present defending the PRI senator and supporting all the statements of the LaRouche spokesmen, which, as the PRI senator himself said, "even ignoring that there were so many U.S. officials denouncing the same thing," "where there is smoke there is fire" (referring to PAN treason).

This amazing discussion in the middle of the Mexican Congress was reported at length in all the national press. The PAN members, not content with being clobbered in Congress, on May 31 took out half-page ads in five national papers to defend themselves against the alleged charges of Mrs. Freeman of the National Democratic Policy Committee. "The American, Debra Freeman, is also lying, when with the pretext of promoting the *Executive Intelligence Review*, of another American, Lyndon LaRouche, she states that we give out information abroad on corruption, drug trafficking, and election frauds. This foreign woman is part of an international agitation group, protected in Mexico by some government officials, in flagrant violation of our laws."

The next day, a *La Prensa* columnist noted that "it is worth observing that the attitude of Pablo Emilio Madero, Bernardo Batiz, González Schmall, and their partners [in signing the ad] is quite curious. On the one hand they applaud Sen. Jesse Helms's attacks, because they say that they are truths against the Mexican government. But when . . . LaRouche, says things against them, they insist he is a liar. . . . The Mexican government has taken no measures and neither has Congress. Tolerance is part of conciliation."

The setback to the PAN and the State Department, which is playing footsie with the PAN, has left their game exposed.

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# International Intelligence

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## *Philippine defense chief rules against 'neutrality'*

In a statement issued at the end of May, Philippine Defense Minister Juan Ponce Enrile called the idea of the Philippines becoming a neutral country "wishful thinking and daydreams." He was apparently referring to President Corazon Aquino's efforts to negotiate a ceasefire with the Communists.

"Issues affecting national security do not partake of ideal situations, but of stark realities in the environment. Unlike in the case of political or social and economic decisions, the cost in security decisions can be fatal for a nation," he said. The Philippines has to "take concrete steps to lay down firm foundations for its security, and provide the means to ensure it by combining the power that can be mustered at home with the support that can be found abroad, among nations sharing the same ideals, interests, and aspirations."

He said that the Philippines would continue to seek the security of the U. S. nuclear umbrella in the interests of maintaining the balance of power and stability in Asia.

Meanwhile, there is a reported growth of terrorism on Mindanao Island by the New Peoples' Army (NPA), the guerrilla arm of the Communist Party of the Philippines. Recent assassinations of military officers, and informers and defectors from the NPA have increased. According to church authorities, at least 30 insurgents suspected of being "deep penetration agents" of the Philippine military have been ruthlessly slaughtered and many others tortured.

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## *German bishop backs Green terrorism*

The head of the German Catholic Bishops Conference has declared his support for the Green Party's Soviet-directed campaign against nuclear power. Cardinal Joseph Höffner intervened in the current nuclear

debate in Germany on the side of the ecologists by stating that the Catholic church "understands people's fears of nuclear technology."

Höffner stated: "More and more people have realized that technology and science alone cannot rule the world . . . but that there must be ethics, too." Instead of "mere economic concern," there should be "concern for the nuclear safety question," said Höffner, adding that one must "secure the genetic material of future generations." Nuclear technology, being the "most risky form of technology," should be replaced by alternate energy sources, he said.

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## *Warn of 'ignorance' of German situation*

U.S. ignorance of the present situation in Germany could result in a collapse of the Atlantic Alliance, an article in *Retired Officer Magazine* warns. *EIR's* editors judge the article, by Lt.-Col. Eric Waldman (USAR-Ret.), one of the more competent pieces on West Germany presented in a U.S. publication—although it diplomatically avoids mention of the role of U.S. Ambassador Richard Burt and the U. S. State Department in the "neutralization" of the Federal Republic. It does lay some of blame on the U.S. media.

Citing the rise of the "Nazi-like" Green Party and the left-wing of the Social Democratic Party, Lt.-Col. Waldman warns of an Social-Democratic plan for neutralization to "effectively separate the Federal Republic of Germany from the U.S., a known Soviet policy objective in Europe."

Under a subhead, "Collaboration with Soviets," Waldman singles out Willy Brandt and Saarland Minister-President Oskar LaFontaine as the two leading advocates of this policy. He also states that, where at one time SPD collaboration with the Communist Party was prohibited, there are now frequent "unity of actions" between the SPD, the Communists, and the Greens. The result has been an increase of influence of the Communist Party among trade unions and youth, he states.

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## *Linowitz network works to legalize cocaine*

Members of former Panama Canal treaty-negotiator Sol Linowitz's Inter-American Dialogue recently proposed the "selective legalization" of the drug trade, and are now actively campaigning for that in Ibero-American nations.

In its May 28 edition, the largest circulation magazine in Brazil, *Veja*, published an extensive report promoting the consumption of cocaine.

Roberto Civita, president of Avril publishing house, owner of *Veja*, is a member of the Inter-American Dialogue.

Asserting that cocaine use has grown enormously among "young executives," *Veja* explains that, unlike marijuana, which puts one to sleep, cocaine, "the way it is currently being used, brings with it the promise not only of enabling its user to take on the most difficult challenges of society, but also of making him better than others at his job."

The unsigned feature article offers the case of Sigmund Freud who, 100 years ago, experimented with the drug. It then seeks to justify its propaganda by parading the "opinions" of "psychologists" who provide culturally relativistic arguments to justify drug usage.

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## *Ecuador's Febres Cordero loses in landslide*

President of Ecuador Leon Febres Cordero and his Conservative Party have suffered a humiliating defeat in legislative elections, according to Reuter wire services. His government has been an active collaborator in the Reagan administration's "free enterprise" projects in the region, and has imposed an austerity program drawn up by the International Monetary Fund on Ecuador.

In what Reuter termed a "crushing defeat," Febres Cordero lost a referendum on electoral reform and fell below 50% of



congressional seats. Opposition parties ranging from Christian Democratic to Marxist won additional seats. The Conservatives do maintain a plurality, but must now form a coalition.

On a referendum to legalize candidates without a party, promoted by Febres Cordero himself, "no" votes were over 70%. The Conservative Party lost most of its votes in the more important urban areas—the areas around Guayaquil, Quito, and Porto Viejo.

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### ***Bronfman's mafia threatens Waldheim***

Israeli mafia leader Samuel Flatto-Sharon has publicly put out a contract on the life of Austria's Kurt Waldheim, the former U.N. secretary-general and Austrian presidential candidate accused of a Nazi past by Edgar Bronfman's World Jewish Congress.

Flatto-Sharon, a fugitive from French justice who avoided extradition on a variety of fraud charges by buying himself a seat in the Israeli Knesset, announced on June 3, that he would be forming a commando squad to "liquidate" Waldheim, if the latter "does not resign his functions in the 90 days following his possible election" as Austrian President on June 8. The quotes appeared in the June 4 *El Pais* of Spain.

*El Pais*'s Jerusalem correspondent quotes Flatto-Sharon saying that the commando squad would be composed of "young Israelis whose parents had been victims of Nazism. . . . This decision was taken during a meeting [June 3] of the World Congress for the Defense of Oppressed Jews, over which I preside. It is not conceivable that an ex-Nazi can be allowed to serve as chief of state."

Meanwhile, World Jewish Congress head Bronfman denounced Waldheim as an "immoral and unrepentant liar," according to *El Pais*. Bronfman was speaking in London on June 3, before the Institute for Jewish Studies. *El Pais* calls Bronfman's statements "one of the harshest attacks launched against the Austrian politician."

Bronfman, son of the big-time Canadian gangster Samuel Bronfman, now works closely with various offices in the Kremlin in coordination with the political faction in Israel associated with Gen. Ariel Sharon.

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### ***U.S. environmentalists make Soviet ties official***

The Natural Resources Defense Council (NRDC) announced June 2 that Soviet and U.S. scientists had agreed to set up monitoring stations in both countries to show that compliance with a proposed Comprehensive Nuclear Test Ban treaty could be verified. The treaty is a proposal of Mikhail Gorbachov, rejected by the U.S. government as inimical to U.S. national security.

The agreement was signed in Moscow by NRDC board chairman DeWind and by E. P. Velikov, vice-president of the Soviet Academy of Sciences, and believed to head the "Star Wars" program the Soviets say they do not have.

The agreement specifies that joint teams of Soviet and American scientists would monitor a Soviet nuclear test site at Semipalatinsk, in Kazakhstan in Soviet Central Asia, and the U.S. range in the Nevada desert.

DeWind, who met with State Department officials June 2, said that the Reagan administration so far has been noncommittal on the plan, but he did not think it would try to disrupt the group's activities. Bearing in mind the President's ideology, he called the plan "the most important private-sector arms control initiative ever undertaken, and we are going to require the broad support of the American public to make it happen."

He said the operation, due to begin by the end of this month, would cost NRDC about \$500,000 during the first year and appealed for public financial support. The aim of the plan, he said, is not to monitor Soviet and U.S. tests as such, but to demonstrate that scientists from the superpowers could cooperate in a verification effort to detect cheating on arms-control agreements.

## ***Briefly***

● **SOVIET EDUCATION** is to be overhauled. A resolution drafted by the Central Committee and published in *Pravda* June 2, says the standard of technical training in the Soviet Union has dropped, and the prestige of scientists, engineers, and other specialists has fallen. The draft plan calls for new training centers; compulsory two-year stints in factories for teachers; and greater ideological control and centralization, including handing over most of the responsibility for choosing teachers to government ministries. Greater emphasis will be put on student use of personal computers.

● **THE TABLET**, a British Catholic weekly, carried an attack on South African Zulu Chief Buthelezi, chief minister of Kwazulu/Natal, at the end of May. Buthelezi, whose Inkatha movement is working for peaceful power-sharing between black and white, against the terrorist African National Congress, is accused by *The Tablet* of running "black vigilante" groups. Recently, Notre Dame's Father Theodore Hesburgh of the Trilateral Commission and J. Peter Grace formed a U.S.-based fund-raising committee for *The Tablet*.

● **A SECURITY OFFICIAL** from West Germany told the daily *Bildzeitung* of June 6 that the anti-nuclear riots currently being run by the Green Party and the Communists are "preparations for civil war." Officials discovered weapons depots near the Brokdorf nuclear site, including slingshots, metal bolts, saws, and other "weapon-like material."

● **LE POINT**, a French magazine, says that U.S. CIA chief William Casey believes that "the Soviet danger is greater than ever," and "the situation resembles, in many respects, a pre-war" situation. According to *Le Point*, Casey thinks "the Soviet Union is conducting a veritable war by other means—inclusively, by the protection that it assures to terrorists. The attitude of Europe appears to him, under such conditions, 'suicidal.'"

## Traitors in Congress mutiny over SALT

by Nicholas F. Benton

"Either the Congress will stand with the administration, or the Congress will stand with the Soviets," a Pentagon official told the House Armed Services Committee June 5, blasting the speed with which 222 congressmen denounced President Reagan's landmark decision to abandon unilateral compliance with the SALT II treaty of 1979.

No sooner had Soviet Marshal Sergei Akhromeyev denounced Reagan's move, than these congressmen were in motion. On their first day back after Memorial Day recess, the congressmen attached their names to a letter circulated by House Foreign Relations chairman Dante Fascell (D-Fla.) demanding that President Reagan rescind his decision.

Within two more days, over 120 congressmen had signed on as official co-sponsors of a bill authored by Rep. Norm Dicks (D-Wash.) to force compliance with SALT. Dicks's bill, HR 4919, would restrict funding for any program that would take the United States over the SALT launcher or warhead limits, thus undermining the President's decision.

Indifferent to the fact that Reagan's decision was taken because of massive Soviet violations of the SALT and Anti-Ballistic Missile (ABM) treaties, these congressmen threatened to blackmail Reagan with further defense cuts if he does not capitulate. "If Reagan is going to sack arms control, then it will cost him the SDI [the Strategic Defense Initiative]," Dicks threatened. Dicks called the President's decision "the most absurd I've ever seen," and designed his bill to be amended onto the Defense Department authorization bill, with the specification that "no funds may be obligated or expended" for the deployment or maintenance of weapons that exceed the limits of the SALT treaty, and requiring prior approval of both houses of Congress before the President could seek a waiver of this limit under national security crisis conditions.

Representative Thomas Downey (D-N.Y.) put in his two cents: "There's a new leadership in Moscow, but the Reagan administration thinks Joseph Stalin is still alive."

On the Senate side, a bi-partisan committee consisting of John Chafee (R-R.I.), John Heinz (R-Pa.), Dale Bumpers (D-Ark.), and Patrick Leahy (D-Vt.) shot off a letter to President Reagan demanding that he expedite delivery of a report Congress requested Feb. 1, outlining the potential Soviet buildup in missiles and warheads without the constraints of SALT. The letter is clearly a ruse, since the President has made it clear, and Secretary of Defense Caspar Weinberger has re-stated this point repeatedly, that the Soviets have been undeterred by the SALT and ABM treaties in maximizing their abilities to launch a first strike and win a thermonuclear war.

This reality, which led to the historic Reagan decision announced May 27, was further underscored in an eight-page letter to Congress from the President, delivered June 3, stressing the critical importance of key components of the U.S. strategic modernization programs, especially the SDI. In response to a letter signed by 46 senators, including many Republicans, requesting that the administration cut back its \$4.9 billion request for the SDI in the FY 1987 budget, Reagan's letter emphasized that the Soviets have been working for 17 years on their own version of the SDI, and are significantly ahead in key areas of laser and directed energy beam research. "Budget cuts that would slow our program would be the worst way to respond to the continuing pattern of Soviet activities," the President said, adding the ominous warning, "Congress is on the verge of imperiling the nation's security, as well as undercutting American negotiating efforts at the Geneva arms control talks." The President listed the SDI, the Stealth bomber, advanced cruise missiles, the Trident 2 submarine, 50 additional MX missiles, and a small-

er, mobile intercontinental ballistic missile as among the modernization programs essential to the nation's security which the Congress must not cut.

However, for congressmen worried only about what Moscow says, this is only more ammunition to throw back at the President. Among the Republican turncoats, in addition to Heinz and Chafee, were Sen. David Durenberger (R-Minn.), Lowell Weiker (R-Conn.), and Arlen Specter (R-Pa.). But most of the opposition was Democratic, led by House Speaker Tip O'Neill (D-Mass.) and Majority Leader Jim Wright (D-Tex.). O'Neill as much as conceded that party unity—not strategic reality—was the key issue. For him, this is the opportunity to score some partisan points in an election year.

Ignoring Soviet treaty violations, O'Neill said in a commencement address at New York University on June 5 that Reagan's action "means the administration has taken its foot off the brakes of nuclear arms deployment and is about to press down on the accelerator of nuclear arms production."

O'Neill and his cronies are irresponsibly tossing around the notion that the Soviets will crank out 8,000 new nuclear weapons without the constraints of SALT, whereas under the constraints, as Fascell put it on the House floor June 3, admitted Soviet noncompliance with the SALT treaties "has not had any serious military significance"! In his remarks which introduced the letter signed by the 222 congressmen, Fascell admitted that the Soviets have violated the SALT treaties, while still demanding that the United States comply.

Trying to outdo Marshal Akhromeyev himself by waving the threat of what the Soviets might do, Fascell warned, "But just look at the serious military significance of a Soviet Union free to no longer adhere to SALT. The Soviets could: Deploy any quantity of mobile missiles versus the current limit of one; quickly add 8,000 new nuclear weapons, and replace over 500 single warhead missiles with multiple warheads."

As Reagan and Weinberger have stressed, the Soviets are already exceeding the "current limit of one" mobile missile system with the deployment of 72 SS-25 missiles, and are now bringing even another system, the SS-24, on line. They are moving as fast as their overall warplan for global domination calls for—which has begun with the low-intensity insurrectionary actions already underway in West Germany.

But these KGB Democrats get most of their figures of the potential Soviet buildup from Rep. Les Aspin (D-Wisc.), chairman of the House Armed Services Committee, who fabricated them in a 17-page report released March 31, called "If You Undercut SALT, You Uppercut Security." The basic argument is that a U.S. "break out" from SALT would lead to an unprecedented Soviet military build-up, which we, especially under pressures of Gramm-Rudman, could never keep up with. It was Lou Finch of Aspin's Armed Services Committee staff who coordinated the collection of the 222 names on the letter to the President.

NBC-TV's Leslie Stahl tried to thrust the Aspin argument at Weinberger on "Meet the Press" on June 1—but Weinber-

ger just insisted that the Soviet military build-up was already underway, and that's why the decision not to remain unilaterally tied to a bad treaty, which was never ratified, was made in the first place.

## The roster of Moscow's friends in Congress

*If the American population ever needed a "hit list" of congressional targets to defeat in the 1986 elections, the 222 names on the June 3 letter to the President provide it:*

Ackerman, Andrews, Annunzio, Atkins, Barnes, Bedell, Bennett, Biaggi, Boggs, Bonior, Borski, Boucher, Akaka, Alexander, Aspin, AuCoin, Bates, Beilenson, Berman, Boehlert, Boland, Bonker, Bosco, Boxer, Brown, Bryant, Bustamante, Carper, Chandler, Coelho, Collins, Conte, Coughlin, Crockett, Dellums, Dicks, Donnelly, Dowdy, Durbin, Dynamally, Eckart, Edwards, Evans, Fauntroy, Fazio, Fish, Foglietta, Ford, Fowler, Bruce, S. Burton, Byron, Carr, Clay, Coleman, Conyers, Cooper, Coyne, Daschle, DioGuardi, Dixon, Dorgan, Downey, Dwyer, Early, Edgar, Erdreich, Fascell, Fawell, Feighan, Fiorio, Foley, Ford, Frank, Frenzel, Garcia, Gephardt, Glickman, Goodling, Gray, Green, Gunderson, Hamilton, Hertel, Howard, Hughes, Jeffords, Jones, Kanjorski, Kastenmeier, Kildee, Kolter, LaFalce, Leach, Lehman, Levin, Long, Luken, Frost, Gejdenson, Gibbons, Gilman, Gonzalez, Gordon, Gray, Guarini, T. Hall, Hawkins, Hayes, Horton, Hoyer, Jacobs, Johnson, Jones, Kaptur, Knelly, Kleczka, Kostmayer, Lantos, Lehman, Laland, Levine, Lowry, Lundine, McCloskey, McDade, McHugh, MacKay, Markey, Matsui, Mica, Miller, Mineta, Moakley, Moody, Mrazek, Neal, Oaker, Obey, Ortiz, Panetta, Penny, Perkins, Porter, Rangel, Richardson, Rodino, Rose, Roukema, McCurdy, McKernan, McKinney, Manton, Martinez, Mavroules, Mikulski, Miller, Mitchell, Mollohan, Morrison, Murphy, Nowak, Oberstar, Olin, Owens, Pease, Pepper, Pickle, Rahall, Reid, Ridge, Rose, Rostenkowski, Roybal, Russo, St. Germain, Scheuer, Schroeder, Seiberling, Sikorski, Smith, Snowe, Spratt, Stark, Studds, Synar, Torres, Towns, Traxler, Valentine, Visclosky, Waxman, Weiss, Whitley, Wirth, Wolpe, Wyden, Yatron, Sabo, Savage, Schneider, Schumer, Sharp, Slattery, N. Smith, Solarz, Staggers, Stokes, Swift, Tallon, Torricelli, Traficant, Udall, Vento, Walgren, Weaver, Wheat, Williams, Wise, Wright, Yates.

# State Department welcomes Iranian butcher Ibrahim Yazdi into U.S.A.

by Scott Thompson

The U.S. State Department, supported by Sen. Jesse Helms (R-N.C.), has welcomed former Iranian Foreign Minister Ibrahim Yazdi on a 30-day trip to the United States. Though billed by a State Department spokesman as "a credible Iranian opposition leader," Ibrahim Yazdi is an Iranian butcher.

While Yazdi was Iranian foreign minister, U.S. embassy personnel were taken hostage in Teheran, a sweeping purge was begun among pro-Western military leaders to pave the way for Ayatollah Ruhollah Khomeini's dictatorship, and the Iranian intelligence service Savama that Yazdi had helped to found, went on an assassination spree against forces loyal to the Shah.

Despite this record of acts verging upon a declaration of war against the United States and its allies, spokesmen for Assistant Secretary of State for the Near East Richard Murphy have welcomed Ibrahim Yazdi to the United States as a "moderate" alternative to Ayatollah Khomeini. Support for this scheme to ease Ibrahim Yazdi back into power, together with former Iranian Prime Minister Mehdi Bazargan, has been given by Bahman Maalizadeh, who is an assistant on Iranian affairs to Sen. Jesse Helms's legislative assistant, Jim Lucier. Also promoting this scheme is the Israeli Mossad faction identified with Helms's new ally, Gen. Ariel Sharon.

## Congress tilts toward terrorists

The first phase of a coordinated operation that involves a tilt toward such "moderate" Iranian terrorists was exposed by columnist Jack Anderson in November-December 1985. According to Anderson, the U.S. Congress had voted \$500,000 in aid to the Mujaheddin through the National Endowment for Democracy, the funding conduit for Project Democracy. It had been the Jacobinite Mujaheddin mobs led by former Attorney-General Ramsey Clark that forced the Shah to flee Iran. Later, the Mujaheddin were involved in terrorist attacks that killed U.S. Air Force officers.

Senator Jesse Helms publicly raised the roof, but in private, instead of going after the terrorists, well-informed sources report that his staff made a secret deal with the Mujaheddin terrorists. Jim Lucier of Helms's staff started to cultivate these terrorists through his aide, Bahman Maalizadeh. This first phase of the operation was assisted by Lucier's

close friend, Jon Speller, a member of a private intelligence network based in New York, whose father, Robert Speller, admits to being in contact with Soviet Secretary-General Mikhail Gorbachov. Speller had earlier introduced Lucier to London-based Sikh separatist leader Jagjit Singh Chauhan, who was a party to the assassination of Indira Gandhi.

The second phase of the tilt policy involved the State Department cultivating Ibrahim Yazdi, who is a member of the Central Committee of Bazargan's Iranian Freedom Movement.

## Who is Ibrahim Yazdi?

When Mehdi Bazargan became Iranian prime minister, after the toppling of Shahpour Bakhtiar, over 500 pro-Western military and other leaders were executed in the beginning of the bloody Iranian purges. Bazargan compared his government to a "knife without a blade," adding that "ideologically the country belongs to Khomeini."

It was under Bazargan that the fundamentalist clerics got their first foothold in government on the way to consolidating power. The current Iranian President Sayed Ali Khamenei was made undersecretary of defense. The current Iranian Speaker of the Parliament Hashemi Rafsanjani was made undersecretary of the interior. Bazargan's minister of the interior was Mohammed Reza Mahdvi-kani, who had been head of the Teheran Central Revolutionary Committee. During the brief period that Bazargan was in power before a full-blown Khomeini dictatorship, this troika initiated the purges of pro-Western leaders.

Bazargan's foreign minister, Ibrahim Yazdi, was born in Iran, but took up U.S. citizenship in the 1950s, joining the faculty of Fairleigh Dickinson University in New Jersey, where he was implicated in rape charges and other sex crimes. He next took up a teaching post at Rice University in Houston, Texas, where his son, Khalil Yazdi, currently resides. In 1963, Yazdi worked to found the Muslim Brotherhood's U.S. branch, the "Muslim Student Association," which has been involved in mass demonstrations and proto-terrorist actions in the United States on behalf of Ayatollah Khomeini since the Iranian revolution.

Yazdi left the United States to join the Ayatollah Khomeini

eni, then in exile outside Paris, where Yazdi joined the inner-circle of Khomeini's "Paris advisers." After the February 1979 coup, Yazdi was named "Deputy Prime Minister for Revolutionary Affairs," helping to set up Khomeini's intelligence service, the Savama, which worked closely with the Israeli Mossad. He resigned from the post of foreign minister in November 1979, only to return to Khomeini's inner clique of advisers.

Now nominally part of the "opposition," this so-called moderate group has been used as emissaries to the United States. Apart from Yazdi, two other members of the Central Committee of Bazargan's Alliance for the Defense of the Freedom and Sovereignty of Iran have had contacts with the United States through "cut-outs" starting two years ago. They are Ali Akbar Moimfr, the former Iranian oil minister, who operates through M. R. Moimfr, the Fairfax, Virginia-based physician for the Iranian Interest Section in Washington, and Rezasadr, a confidant of Mehdi Bazargan.

In February 1986, the second phase of the operation to achieve a "tilt" toward these so-called "moderates" who brought Khomeini to power was started by the State Department. Well-informed intelligence sources report that a message was sent through West German Foreign Minister Hans-Dietrich Genscher to make contact with Ibrahim Yazdi. The lure to win approval of the Iranian regime was reported to be U.S. shipments of arms to Iran through Israel and West Germany.

### **'A humanitarian gesture'**

On April 14, the Iranian news agency IRNA signaled that Ibrahim Yazdi would travel to the United States on an "official" visit. This signal brought to the surface a growing debate over the "tilt" toward Iran, which the State Department thought it could foist off on President Ronald Reagan's administration in the absence of a clear White House policy. The State Department's "Iran lobby," supported by such allies of Islamic fundamentalism in the Eastern Establishment as former Secretary of State Cyrus Vance and Ramsey Clark, recommended bringing in Sen. Helms to swing conservative support behind the policy.

Shortly after the IRNA signal piece, U.S. intelligence circles opposed to this embrace of known Iranian terrorists in "moderate" garb, leaked material to columnists Jack Anderson and Evans and Novak. Some of this material, including a lengthy report on Iranian terrorist networks centered in West Germany that had been leaked to Evans and Novak, was information obtained by *Executive Intelligence Review* that had been rewritten as classified reports.

Two weeks after the IRNA signal piece on April 28, Anderson wrote a piece titled, "U.S. Quietly Rebuilds Links to Iran," which read:

"Iran's Ayatollah Ruhollah Khomeini, not Libya's Muammar Qaddafi, directs the world's most deadly terrorist network. Yet incredibly, the Reagan administration has be-

gun a hush-hush, barely perceptible tilt toward Iran. . . . Washington has been quietly conciliatory in the behind-the-scenes negotiations with Iran over the American hostages held by pro-Iranian terrorists. This dramatic, subterranean shift in policy toward Iran goes beyond the fate of the hostages into the realm of geopolitics."

The State Department ushered Ibrahim Yazdi into the United States for meetings with such figures as Ramsey Clark in New York. He next traveled to Washington, D.C., where well-informed sources report he had high-level meetings at the State Department to discuss the possibility of renewing U.S. arms shipments to Iran. Yazdi also visited the farm of Washington, D.C.-based Savama agent Bahram Nahidian, a lifelong friend of Yazdi's, whose bodyguard (David Belfield, recruited from prison) assassinated Iranian Freedom Foundation leader Ali Akbar Tabatabai at his suburban Washington home.

Spokesmen for Assistant Secretary of State Richard Murphy vociferously deny meetings with Yazdi, claiming that they let this Iranian butcher and accessory to terrorist assassinations into the nation's capital, as a "humanitarian gesture," so that he could visit his family! Senator Helms's legislative assistant, Jim Lucier, also denies reports from well-informed sources that he met with Yazdi, although Lucier's aide, Bahman Maalizadeh, admits contacting Yazdi by phone at Yazdi's son's home in Houston.

Maalizadeh's scheme is to create a new Iranian government with Bazargan and Yazdi at the helm. Another member of this government whom Maalizadeh recommends the United States should cultivate is Sadeq Tabatabai, who had been arrested in West Germany with 1.2 kilos of opium from the Golden Crescent. Tabatabai had been identified by high-level security intelligence sources, both in the United States and West Germany, as funneling drug-money to those Iranian-linked terrorists in the Bekaa Valley who assisted in the 1983 suicide-bombings of the U.S. embassy and Marine compound in Beirut.

Maalizadeh claims that Tabatabai was "framed" by the pro-Soviet Tudeh Party, thereby making common cause with West German Foreign Minister Hans-Dietrich Genscher, who let this top figure in the Iranian drug-terror machine escape.

Maalizadeh has lied that once a "first phase" is complete that brings this gang of "moderates" back in power—bypassing exiled former Prime Minister Shahpour Bakhtiar—a "second phase" propaganda campaign could be launched to bring back young Reza Shah Pahlavi. Apart from Jim Lucier on Helms's staff, those duped by Maalizadeh include the brother of Ali Akbar Tabatabai, who currently heads the Iranian Freedom Foundation, sources report.

As the Iran-Iraq war of attrition drags on and the Iranian economy continues its collapse, there is a growing republican opposition in Iran. But it is not to be found among the terrorist jackals like Ibrahim Yazdi, who dedicated their lives to bringing Ayatollah Khomeini to power.

# Latest primary results show NDPC's nationwide strength

by Stephen Pepper and Marla Minnicino

In primaries held on June 3 in California and Iowa, and in the Idaho primary held May 26, the National Democratic Policy Committee showed again that it represents a solid core constituency of 25-50% of the Democratic Party. Electoral results in New Jersey and Alabama, while not equaling the gains in other states, also represented solid achievements for the LaRouche candidates' movement.

In five southern California congressional districts, NDPC-backed candidates ran from 23% to better than 50%. Art Hoffman, candidate in the 40th Congressional District in Orange County was winning the election in unofficial returns with 15,089 votes compared with a total of 14,685 polled by the local party chairman, Judge Bruce Sumner.

In the hotly contested Hoffman-Sumner race, the official canvas was slated to take place on June 9. Sumner jumped the gun and claimed victory based on press accounts of the vote, with media throughout California and around the country reporting that LaRouche backed candidates had won no nominations in the current primary series. Hoffman has repeatedly announced that he awaits the result of the official vote canvass.

Elsewhere, Maureen Pike in the 39th CD (Fullerton) received 38% of the vote, Alex Maruniak in the 41st CD (San Diego) received 40%, George Hollis in the 45th (Coronado) won 23%, and Paul Jeffrey (La Verne) got 24%.

Even more indicative of the NDPC inroads were the results in two races against incumbents: Ruth Williams running against Ron Dellums in the 8th CD in Berkeley took 18% of the vote with 14,252 votes, while Kevin Zondervan, in a race against Mervyn Dymally in the 31st CD in the Los Angeles area polled 16%. In the 16 congressional races that NDPC-backed candidates contested, they received 115,000 votes, 65,000 of which were cast in the five southern California races.

Sumner is the chairman of the Democratic Party in Orange County. He had fancied himself something of a giant-killer and decided to challenge to debate Lyndon LaRouche, an announced candidate for President who helped found the NDPC. LaRouche, who has urged leading figures in the Democratic Party to get out front in promoting debates on the issues—particularly on strategic matters and questions of the economy—promptly accepted, as long as the debate focused

on issues, and not on a rehash of slanders originating with drug pushers.

The debate was organized by satellite hookup and was witnessed by reporters from the Associated Press and Cable News Network. While LaRouche addressed issues such as Israeli Prime Minister Shimon Peres's proposal for a Marshall Plan for the Middle East, Sumner used the debate exclusively to slandermonger. Nevertheless, the effect of the debate went far beyond the immediate primary contest, since it provided LaRouche, described as "statesman-like" by reporters, one more opportunity to shape the issues that will dominate elections.

As for Sumner, he has been closely linked through his law firm to underworld figure Sidney Korshak. Korshak was the principal connection between Teamster pension funds and Las Vegas crime figures involved in casino gambling. When Hoffman first brought up these charges, Sumner did not respond, but simply acted as a megaphone for drug-lobby lies about LaRouche. It was after Hoffman and Sumner themselves appeared on a radio debate, that Sumner decided to try to gain national prestige by taking on LaRouche himself. In this, he miscalculated badly.

## PANIC takes on liberals

The California results confirm the trend that first emerged in Illinois and continued in subsequent primaries. Especially after the Illinois victory, the gains by the NDPC have been made in the face of a firestorm of slanders and Democratic Party dirty tricks. In Texas, Ohio, Indiana, Pennsylvania, and Idaho, the NDPC-backed candidates established a solid record of winning at least 20% and as high as 42% of the official vote against non-incumbents. In California, the result exceeded any previous primary record.

The NDPC's strength in California is due in part to the drive to place a referendum on the November ballot which would mandate a public-health approach to AIDS, in which most, if not all, of the LaRouche candidates participated. Sponsored by the Prevent AIDS Now Initiative Committee (PANIC), the drive was led by Brian Lantz, the NDPC-backed candidate for U.S. Senate on the Democratic side, and Khushro Gandhi, president of PANIC. Candidates, supporters, and grass roots organizations throughout the state

gathered nearly 700,000 signatures to put a referendum on the ballot seeking to apply standard public-health measures against AIDS. This approach challenges the entire gay rights/civil liberties establishment which has made the cause of the AIDS virus their own. As a result of the petition drive, a vast constituency was built for policies of the type advocated by the NDPC-backed candidates, with the result that a larger vote than ever before turned out to support them.

The political map in New Jersey was also indelibly altered by a slate of 13 NDPC-backed congressional candidates running in the June 3 primary under the banner of "FDR Democrats." The LaRouche candidates' promise to "jail a drug banker," and their call for an investigation of First Fidelity Bank for drug-money laundering was not welcomed by state Democratic Party officials, who have historically operated in league with organized crime layers. For this reason, party bureaucrats teamed up with the local office of the dope-linked Anti-Defamation League to pump a variety of anti-LaRouche slanders into the press. As in Texas, where a similar operation was mounted, voter turnout was depressed and discussions of policy issues were kept out of the electoral process.

Nevertheless, LaRouche Democrats running in blue-collar districts of the central, industrialized portion of New Jersey polled 10-20%. Anne DeGennaro in the 6th CD polled 16% against incumbent Bernard Dwyer; Annie Hart in Newark came in third in a four-way race, which included incumbent Rep. Peter Rodino and a candidate backed by Jesse Jackson. In the 5th CD, which includes Bergen and Passaic counties, NDPC candidate Denise Ham would have defeated political unknown Vernon Jolley, had it not been for the aggressive anti-LaRouche effort. In rural Sussex County, where the slanders had not penetrated, Ham polled 60%. LaRouche candidates also did well in races for state and county Democratic committee.

The impact of the LaRouche slate was not lost on Rep. Robert Torricelli, who faced NDPC slate leader Elliot Greenpan in the 9th CD. Though Torricelli helped lead the slander drive, he told an election-night audience: "It's important that the Democratic Party does not conclude that our struggle with the LaRouche extremist [sic] organization is over. This is but a single contest in a much longer competition for the future of the party."

In Alabama, where LaRouche Democrats are just beginning to make an impact on electoral politics, NDPC-backed candidate Steve Arnold polled close to 9,000 votes statewide in a four-way primary race to oppose Republican incumbent Sen. Jeremiah Denton. Arnold gained the respect of many party members based on his approach to policy issues, which urged a strong defense gear-up for the United States and repeal of the Gramm-Rudman-Hollings budget-cutting legislation. Arnold and 5th CD candidate Zachary Taylor Wakefield headed a slate of LaRouche Democrats running for party and municipal posts in Alabama, among them well-known civil-rights activists Rev. Houston Anderson and Amelia Boynton Robinson.

The leadership of the Alabama party, fearing that the LaRouche Democrats might tap into the state's "forgotten voters" (once, George Wallace's base of support), disqualified LaRouche Democrat Glenn Thompson from the race for Madison County Executive Committee, and tried a variety of other operations to discredit the slate. A mysterious "endorsement" of Arnold by a Louisiana Ku Klux Klan member appearing in the local media was immediately denounced by Arnold as an "FBI Cointelpro operation." Arnold plans to announce that the LaRouche Democrats are "here to stay" in Alabama, and will field a full congressional slate in 1988.

Three NDPC-backed candidates in Iowa's June 3 primary, put the LaRouche wing of the Democratic Party on the ballot in that state for the first time. Juan Cortez, a 69-year-old retired postal worker and civil-rights activist, led the slate in his race for the U.S. Senate seat now held by Republican Charles Grassley, polling 16%. Running with Cortez were Harry Clark, a farmer, who ran for Congress in the 4th CD, and Anne Meskiman, also from a farm family, running in the 2nd CD.

Cortez's campaign sent a shock through Iowa's entrenched Democratic leadership. Cortez declared that a citizen candidate could still win elections in this country by "standing up for the truth," without "backing by millionaires." Since Cortez, Clark, and Meskiman were long-time Democrats, party officials could not successfully label them "outsiders" or "kooks." An article in the *National Catholic Register* called Cortez "a model Catholic" because of the dignity and courage which have characterized his work for human rights throughout his life. Nevertheless, Iowa state party chairman Art Davis spent considerable time and effort in an illegal "stop Cortez" campaign, which included drafting a little-known Des Moines attorney, John Roehrick, to run against him.

## **Idaho: 40% for LaRouche Democrat**

Results in the May 27 Idaho primary again showed that when given a choice, voters will respond to programmatic issues. Even without a campaign war-chest and with just a handful of volunteer campaign workers, NDPC congressional candidate Joseph Stewart polled a hefty 40% of the vote. Stewart was running in the 1st CD against party-endorsed William Currie, a liberal Republican turned Democrat who recently led a drive for the secession of northern Idaho, Montana, and Washington!

Despite a post-card mailing to registered Democrats from Idaho state party chairman Mel Morgan advising them to spurn the LaRouche candidate, almost half the district's Democrats voted for Stewart. Furthermore, LaRouche Democrat Marvin Sawyer ran unopposed for a seat in the 13th legislative district to qualify for the November ballot.

In other May 27 primary results, LaRouche supporter Rev. Lamar Keels won the Republican nomination for Congress in the 1st CD of Arkansas. Keels will campaign against incumbent Democrat Rep. Beryl F. Anthony.



# Constitutional freedoms at stake in the case of Lewis Smith

by Sanford Roberts

Consider the following: a 28-year-old man, after careful thought and research, decides to financially support and otherwise affiliate with an organization that best expresses his political ideas and views of the world. The organization in question is disfavored by certain entrenched and powerful circles in the country where the young man resides. As a result of his political beliefs and associations, the man is hauled into court and declared mentally ill by the authorities. His basic human and civil rights are stripped away to the point that the authorities threaten to legally "kidnap" him, throw him into a mental hospital, and apply lithium (liquid electroshock) treatments until the man is "rehabilitated."

Is this the Soviet Union? No, the United States! The man described above is Lewis Smith, an American citizen, who is the defendant in a legal case now pending before the Court of Common Pleas in Chester County, Pennsylvania. Mr. Smith's "crime" was to give financial assistance and personal support to Caucus Distributors, Inc. (CDI), a company which distributes political pamphlets, newspapers, and magazines authored by Lyndon H. LaRouche, Jr. and people who are philosophically aligned with LaRouche. John Mintz, an avowed enemy of LaRouche, recently wrote in the *Washington Post* that Lewis Smith "is at the center of a courtroom battle that could make legal history" on questions of the First Amendment right of political belief and association.

There is one more salient fact about Lewis Smith which needs to be known. His middle name is du Pont, as in the du Pont family, the folks who own the state of Delaware and a few other satrapies along the Eastern seaboard. This family is part of the American oligarchy whose world outlook is dominated by concerns of blood and money. For people like the du Ponts, constitutional republican governments, such as the United States, are infringements upon family wealth and power, and should be dispensed with at the earliest political opportunity. The du Ponts are seeking to vindicate this world outlook in an American court of law.

In April 1985, Lewis Smith's mother, father, and siblings brought a petition for guardianship in the Chester County Court of Common Pleas, claiming that Lewis was incompetent because he had loaned a six-figure sum of money to CDI. Despite the family shrieks about the size of the CDI loan, the amount in question is less than 1% of the annual interest

which accrues to the du Pont fortune. The issue in the case of *Smith, et al. v. Smith*, of course, was never money; the issue was Lyndon LaRouche. The family brought their petition to teach Smith a lesson about his political associations.

Shortly after the filing of the lawsuit, the father, E. Newbold Smith, used his power and influence to contact and correspond with longtime political enemies of LaRouche, such as Dr. Henry Kissinger and William Weld, the dope lobby-connected U.S. Attorney in Boston, Massachusetts who has carried out an 18-month grand jury inquisition against LaRouche. Newbold frantically exhorted Kissinger, Weld, and others in positions of power to throw caution to the winds and "get" LaRouche.

On Nov. 12, 1985, Judge Lawrence Wood entered a preliminary decree against Lewis Smith adjudicating him incompetent for no other reason than his associations and views. After listening to Lewis testify about his political outlook, Judge Wood wrote, "[o]ur observations of his testimony and his writings convince us that he is not equipped to deal with his financial affairs in even a minimal way, due to the disorganized and unrealistic way he views finances and world events."

Putting it another way, Lewis is a born oligarch who should be concerned with the purity of his bloodline and his family estate rather than associating with, again in the words of the judge, "a political organization with unusual, if not suspect, goals and motives." The complete absence of any evidence which supports this characterization of LaRouche and CDI did not seem to phase Judge Wood, whose declaration of incompetence deprived Lewis of his right to vote, his right to get married, and has led the family to file a new petition to legally put Lewis under house arrest.

One of the ironies in this case is that Lewis's father is an alcoholic, his mother has suffered several nervous breakdowns, and the siblings are undergoing psychiatric care. This gang makes Dostoevskii's Karamazov family look sane. However, in Judge Wood's world-turned-inside-out, Lewis Smith, the normal one, is declared "incompetent."

Below is Lewis Smith's own commentary on this case. It is a powerful personal and political statement. While you read Smith's statement, bear in mind that it is not his rights which are at stake in this case, but the rights of all of us.

# Why my family is out to get me

by Lewis du Pont Smith

I feel compelled to issue this statement in response to various recent reportage in the national media that has seriously misrepresented the issues in the case of *E. Newbold Smith, et al. vs. Lewis du Pont Smith*, as well as misrepresenting facts about my life and beliefs.

At the outset, let me repeat what I have stated previously. The fundamental issue in this case is whether I will be allowed to exercise my constitutionally guaranteed rights, or whether my family's feudal power will be able to annul them. My family is merely attempting to use the power of the court to exercise what they believe to be the privilege of their power to force me to say, do and act as they see fit.

I am not, as the press has misrepresented, fighting for the right to control my financial estate. The control of this money, no matter how large that sum may be, is really a secondary issue. I am fighting for my constitutional rights. If I should lose this case, it will have an impact on every citizen whose family, like mine, is powerful enough to use the courts to force their will and judgment on their sons and daughters.

I do not ask, and have not asked, my family to support the policies and politics of Lyndon LaRouche, Jr. I only ask that they accept my constitutionally guaranteed rights to exercise my own political will and judgment, to associate with whom I choose, and to work for political causes that I believe in.

The media, acting on behalf of my family's interests in this case and more generally, have misrepresented my recent relations with family and friends. I did not break off contact with my family. They chose to act in an infantile and irrational manner following my association with the policies of LaRouche. This is a political disagreement. But that disagreement has been manipulated by enemies of LaRouche outside the family, including Henry Kissinger and William Weld, who have counseled my father. I did not break off relations with my family until they instigated legal action against me, and then on advice from my legal counsel.

I would have hoped that my family would at least honor my wishes to take no actions that would interfere with either this case or my personal life. However, this has not been the case. For the last several months, members of my family and alleged friends have harassed me at all hours of the night, appearing at my doorstep, pounding on my windows, phoning the family of my fiancée, all in an attempt to disrupt my normal life. I have never harassed members of my family.

Why do they seem to feel that they have the right to harass me?

My family has alleged that I am mentally ill, and, using their power to influence the courts, have sought to have the legal system confirm this judgment. I am not mentally ill and never have been—no matter what my family might pay psychiatrists to say otherwise.

However, I think it is about time that somebody should start looking at my accusers, the family of E. Newbold Smith.

Let's start with my father. He has a provable history of violent bouts of alcoholism. He has spent large sums of money having expensive "sex-enhancement" operations in Texas. One might say that he has first-hand experience with mental illness, but that does not make him competent to pronounce me as "mentally ill." My mother has had at least four nervous breakdowns, two of which required extended periods of hospitalization and which were largely a consequence of living with my father's irrationality. In addition, my brother Stockton N. Smith has received psychiatric care, including in the current period. How can any sane person conclude that these people should be competent to judge me?

It has been said by my family and their media spigotts that I have made some poor investments. So have many other individuals. . . .

I have never stated that I intend to turn over my entire wealth, or even large portions of it, to organizations associated with the policies of Lyndon H. LaRouche. But if I should choose to do so, does that make me mentally ill? If this be the case, then this country has become much like the Soviet Union, where those individuals who disagree with the KGB are shipped off to Siberia, after being declared insane.

But if one wants to speak of poor financial management and erratic financial behavior, one need only look at my family—the du Ponts. I cite the case of Lammot "Motsey" du Pont Copeland. This individual, a proponent of right-wing "fringe" groups with which I do not agree, parlayed a \$13 million estate into the largest personal bankruptcy in the history of the United States—\$50 million. They called "Motsey" eccentric, but no one ever tried to take his money away or certify him incompetent. . . .

But the great power and wealth of the du Ponts appears to be on the ebb. The du Ponts don't even control the company that bears their name any more. They have become the towel boys of Edgar Bronfman, whose family fortunes date from running whiskey and drugs across the Canadian border for mobster Meyer Lansky, and who is an avowed enemy of Lyndon LaRouche. There was a time when a du Pont wouldn't be caught dead in the same room with the likes of such people; now they sit at the same broad boardroom table.

I ask, who should stand trial? I, who have done nothing but act on my political beliefs, or my family, whose motive, the press says, is my well-being, but whom any sane citizen should look at as highly suspect?

—May 17, 1986

# Crime ring, kooks rig court decision

by Michele Steinberg

On June 12, 1985, when Judge Lawrence Wood, the presiding judge in the case, *E. Newbold Smith et al. v. Lewis Du Pont Smith* in state court in Chester County, Pennsylvania, allowed the testimony by Dr. David A. Halperin against Lewis Smith, he permitted a self-avowed political-enemy of Lyndon LaRouche to pass himself off as an objective medical professional. Halperin's personal animus to LaRouche and Lewis Smith was further demonstrated in an interview to the *New York Times* for an article in early May 1986, that heralded Halperin's "diagnosis" of Lewis Smith as mentally incompetent. Halperin's judgment on Lewis Smith was a direct result of his active involvement with a network of "anti-cult" brainwashers who are financed by organized crime.

Halperin presented himself as a "legitimate" psychiatrist. In fact, he is a "hired gun" working with the Jewish Community Relations Council (JCRC), the American Family Foundation, and the Anti-Defamation League of B'nai B'rith. Looking at the profile of Halperin and his JCRC cronies, one wonders how Judge Wood failed to find *them* incompetent.

Among Halperin's cronies are Dr. John Clark, a Boston-based "anti-cult" doctor involved in the attempted kidnaping of a LaRouche associate in 1980, and Philip Abramowitz, the JCRC's so-called expert on LaRouche, who keeps active relations with members of the ADL-run terrorists, the Jewish Defense League/Organization. According to reliable sources, this same Jewish Community Relations Council of New York, headed by organized crime-linked real-estate figure, Laurence A. Tisch, is involved in plotting kidnapings and other illegal operations against supporters of 1988 Democratic Party presidential candidate LaRouche.

## JCRC special unit

Under the cover of the Task Force on Missionaries and Cults (TFMC), funded in part through grants from the Israeli Interior Ministry, a group of lawyers, psychiatrists, and reporters is running an extortion operation against LaRouche backers. The game plan is to use psychiatrists provided by JCRC to bring "incompetency" court actions against LaRouche supporters, modeled on, or parallel to, the suit against Lewis Smith. Lawyers in this network are soliciting cases among families and attorneys of LaRouche supporters, using

journalists such as Dennis King of the drug-lobby magazine *High Times*, NBC's Pat Lynch, the *Washington Post's* John Mintz, and AP's William Welch as go-betweens.

The unit reportedly urges families to take action to stop financial support for LaRouche's political campaigns or other activities through legal moves to place their relatives under "guardianship" and in "extreme cases" to consider kidnaping and "deprogramming," by thugs the JCRC recommends or provides.

Past *EIR* investigations have identified the JCRC as an arm of the Anti-Defamation League of B'nai B'rith (ADL), a front for the drug lobby which is leading the self-described illegal campaign to "destroy LaRouche." The ADL's national chairman, Kenneth Bialkin, is the business associate of swindler Robert Vesco, who runs a cocaine empire out of Cuba.

The recent *EIR* Special Report, *Moscow's Secret Weapon: Ariel Sharon and the Israeli Mafia*, documented that the JCRC has been a funding and political base of support for terrorists tied to Meir Kahane, the Jewish Defense League founder. Two such Kahane followers, Mordechai Levy and Randy Medoff, work for the JCRC.

The ADL-JCRC link is not only "political," but direct, through organized-crime/dirty-money operations. Both ADL chairman Bialkin and Tisch, the chairman of the JCRC, were up to their necks in the drug-linked fraud operations of Franklin National Bank, for which Italian banker Michele Sindona was convicted and murdered (though his death in an Italian prison was reported a suicide). In 1982, the Italian government sued the ADL's bank, Sterling National of New York, for profiting from Sindona's swindles. Sterling National's attorney was Kenneth Bialkin. What the Italian government may not have known was that Bialkin's associate, Laurence A. Tisch, head of Loew's Corporation, had sold the Franklin National Bank stock to Sindona at a vastly inflated price, and hid Franklin National's deep financial woes.

The JCRC Task Force on Missionaries and Cults, with which Halperin regularly works, employs drug-lobby mouthpiece Dennis King as its propagandist. King writes for *High Times*, the drug-pushing magazine, and is close to *High Times* "editor," John Foster "Chip" Berlet of Chicago. King and Berlet have been an anti-LaRouche team since at least 1980, when they worked against the National Anti-Drug Coalition, which was founded by associates of LaRouche to block marijuana and cocaine legalization; Berlet, a product of the left-wing CIA's National Student Association, is also a propagandist for homosexuality. He has a close working relationship with executive members of the North American Man/Boy Love Association, which lobbies for adult sex with children.

Before joining up with *High Times*, King was a researcher for another JCRC collaborator, Rabbi Maurice Davis of Westchester, New York. Davis parades as an anti-cult expert, but was the original mentor of Rev. Jim Jones, who led his followers to suicide in the jungles of Guyana in 1978.

## Press jitters over prosecution threat

"Apoplectic" is the proper word to describe the state of the press corps, overall, in Washington, since the administration threatened to invoke a 1950 law that would toss witting journalists into the slammer for a decade for publishing secrets that compromise national security.

The tension was heightened further when it became known that President Reagan personally called Katharine Graham, publisher of the *Washington Post*, and issued a warning against the newspaper reporting sensitive testimony in the trial of Soviet-paid spy Ronald Pelton in Baltimore.

Wailing that the administration is trying to repress the First Amendment, the *Washington Post's* Bob Woodward threatened on "Meet the Press" June 1: "It is a judgment call where to draw the line on what to publish and what not to publish, and the administration is not going to like where we draw the line."

However, this open admission of the *Post's* intent to compromise national security flies in the face of the 1950 law, which, as Defense Secretary Caspar Weinberger pointed out on the same show, "after all, was passed not by us, but by the Congress." He said it relates specifically to "cryptologic information," that is, code-breaking information, which is a subject in the Pelton trial.

Many older veterans in Washington comment that with the amount of "leaking" going on here now, the United States could not possibly fight

and win a war. The old "Loose Lips Sink Ships" motto that prevailed in all the nation's past conflicts, as well as in peacetime, seems now long forgotten.

However, despite his tough talk to the contrary, Secretary of State George Shultz, together with Don Regan and James Baker III, have battled against proposals made in Reagan cabinet meetings to institute polygraph tests and create a special strike force to crack down on leaks from the administration.

One journalist remarked on a local commentary show here recently that, in fact, the administration is really worried only about the leaks it doesn't like getting out—and that if it also went after those who leak what it wants leaked, then nationally syndicated columnist Robert Novak would be at the top of the list. Novak, who was also on the show, sat back and kept his mouth shut in response to that one.

## Why did the media lie about the SALT breakout?

Most of the nation's major news media told a bald-faced lie to the American population when it characterized the historic decision taken by President Reagan on May 27 as "a move to continue operating within the SALT framework."

The reality, of course, was the exact opposite. Yet, the *New York Times*, *Washington Post*, and major TV networks insisted on peddling the lie.

In truth, abandoning 14 years of the SALT era that produced enormous relative military buildup and strategic advance by the Soviet Union, the administration announced that, as of May 27, it was no longer basing its strategic decision-making on what SALT accords say is permissible, but

only on "the nature and magnitude of the threat posed by the Soviet Union."

The media, which had already begun to believe their own lies, came into the White House briefing room the day after only to hear that Weinberger was now saying the SALT warhead ceilings would be "definitely" broken by early fall.

This reporter took the occasion to ask deputy press secretary Ed Djerejian for confirmation that a new criterion for U.S. strategic decisions had been established by the May 28 announcement. Then I asked him to comment on the media characterization of the announcement as a "commitment to a continued compliance with the SALT framework."

Many in the press corps became audibly nervous at that point. Djerejian chose to cool down the situation with a joke about "selective" coverage methods of "certain" press.

Everybody laughed nervously. Given criminal investigations into five major news sources for violation of U.S. laws on the publication of classified information, the press corps was definitely on the defensive.

The White House correspondent for *USA Today* approached to assure me that she had not been among those who misrepresented the SALT decision, and was appalled at the coverage of the *New York Times* and *Washington Post*. "Some of us who carried the story straight were grinding our teeth," she said. "We couldn't believe how they played it the way they did."

TASS didn't play it wrong. Larry Speakes hadn't even finished making the announcement May 27, when its chief Washington correspondent, on his last day on the job before going home, dashed to the back of the room to his hotline to Moscow. The nightly TV news was just going on the air over there, and he was reporting the development live on the phone.

# National News

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## Phil Gramm demands drug testing in Mexico

Senator Phil Gramm (R-Tex.), who headed the U.S. delegation to the U.S.-Mexico Interparliamentary meeting in Colorado Springs at the beginning of June, gave a press conference urging the Mexican government to institute measures for detecting drug usage among public officials. Among the measures he suggested were medical examinations, lie-detector tests, and investigation of officials' bank accounts.

No one asked him what U.S. Secretary of State George Shultz would say to implementing those measures in Washington, D.C.

The interparliamentary meeting, for the first time in 26 years, issued no joint communiqué, reflecting the recent clash between Mexican officials and the U.S. State Department and lawmakers, over politically motivated U.S. charges of Mexican "corruption."

The meeting did conclude, however, with announcement of a joint \$250 million drug-interdiction program. Said Gramm: "We are committed to using \$250 million in Department of Defense equipment to concentrate on an air interdiction program across the border. In addition, we are discussing the possibility of using joint American-Mexican crews to man aircraft to detect drug smugglers along the border."

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## Weinberger nixes plan to extend ABM treaty

Defense Secretary Caspar Weinberger said that a Soviet proposal to extend the 1972 Anti-Ballistic Missile treaty for 20 years was "terribly wrong," in an interview on CBS's "Nightwatch" June 4.

He accused the Soviets of trying to kill the U.S. Strategic Defense Initiative through "a side door": "The Soviets know you can't

get funding for a program if you've said you're not going to use it for 10 years." An agreement to extend the treaty, he said, would cause SDI research "to lose a great deal of momentum" and cause "a loss of all public support or the possibility of ever deploying a strategic defense."

In an interview June 1 on CBS's "Fact the Nation," Weinberger emphasized the priority that President Reagan places on the SDI program: "Our program is to see if we can develop a thoroughly effective system and then to deploy it. . . . Keep in mind that the Soviets have been working on this for 17 years. They are way ahead in certain areas of strategic defense research." He insisted that the best hope for mankind was the U.S. development of a defense against Soviet missiles, "to regain for this country the security it needs." The new Soviet proposals are intended to prevent this: "They have modernized, they have been working on the SDI, they violate treaties and we don't."

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## Senate upholds Reagan on Saudi arms deal

President Reagan avoided a major foreign policy setback on June 5, when the Senate voted to allow the sale of \$269 million in advanced defensive weapons to Saudi Arabia.

Foes of the sale failed by one vote to override the President's veto of resolutions disapproving the sale which both houses of Congress had passed earlier this year.

The outcome of the vote was in question up until the last minute, and the rhetoric on the floor of the Senate reflected the controversy that has surrounded the proposed sale. At one point, Sen. Barry Goldwater (R-Ariz.), rose to charge that the Senate had come under intense financial and political pressure from "other countries to persuade us to vote against our Commander in Chief and our President" and block the missile sale.

water said sternly, "we put our hands on the Bible and promised to defend the Constitution of the United States, not the Constitution of Israel. . . ."

The President and other administration officials had lobbied hard to save the deal, which was threatened by a coalition led by Sen. Alan Cranston and Rep. Mel Levine, both ultraliberal California Democrats. They claimed that Saudi Arabia has impeded the Mideast peace process by refusing to recognize Israel, and has lent its backing to terrorists. The administration flatly rejected those charges, asserting that Saudi Arabia has been of major help to the U.S. fight against Mideast terrorism, and arguing that assisting the Saudis and other moderate Arab states, was a national security priority.

Two days before the Senate vote, the President met with Republican Senate leaders to deliver what he called an "impassioned plea" to sustain his veto. "I'd like to stress once again how important it is for you to sustain my veto," Reagan said. "I want you to understand this vote will have a profound effect upon our relations with the Arab world, not just Saudi Arabia. If the veto isn't sustained, it will seriously undermine our foreign policy objectives throughout the region. The sale is clearly and without question of interest to the United States."

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## Greens denounce U.S. marijuana eradication

Randy Toler, a spokesman for the International Green Party, on May 30 gave a press conference in Chicago to denounce the state of Illinois for launching a program to use the herbicide glyphosate to eradicate marijuana in the state.

Toler claimed that the herbicide was a threat to the safety of Illinois citizens. This is a ruse, since it is already being widely used by farmers for weed removal.

Glyphosate, which is sold commercially under the brand name "Round Up," is used mostly on wild plots of immature marijuana

## Briefly

tions, said William Doster, state police superintendent of the Division of Criminal Investigations. Illinois uses the herbicide to stop marijuana growth in the central part of the state.

Toler cited a U.S. Drug Enforcement Administration report that glyphosate releases a "cyanide-like gas," and claimed the Illinois Environmental Protection Agency has said the herbicide is as much a danger to the public as paraquat, one of the components found in the agent orange defoliant. He declined to mention, however, that paraquat has been found not to be dangerous to humans—unless the drug is illegally consumed.

It is not surprising that the Green Party is defending drugs. Its U.S. base, among the Yippies, is noted for its violent defense of drugs, as well as assassination threats against President Reagan and Vice-President George Bush. In Europe, the Green Party recently adopted a plank against marijuana laws at its national conference in West Germany.

The International Green Party is headquartered in Marengo, Illinois, and maintains connections with the Washington Peace Center, where European Greens come to work with U.S. Greens in a formal internship program.

### William Graham named as science adviser

The White House announced on June 2 that William R. Graham, the former NASA administrator, will be nominated presidential science adviser, to replace George Keyworth, who resigned in December. Graham has come under heavy criticism for his incompetence at NASA, which contributed to the tragic accident of the Space Shuttle Challenger. The appointment has to be approved by Congress.

Graham, whose past experience was with the Rand Corporation and arms control, was appointed deputy administrator of NASA in November 1985 by the White House patron-

age machine, despite strong NASA opposition, which contended that there were more qualified candidates for the job. Within days of the Graham appointment, NASA administrator James Beggs was forced to take a leave of absence, and Graham was catapulted into the number-one position. Graham is considered an expert on questions regarding the effect of electromagnetic pulses on missile launches.

Graham is an advocate of increasing the role of private companies in developing commercial uses of space. According to an interview with George Keyworth quoted in the *Washington Times* June 4, Keyworth expects Graham to be a strong supporter of the Packard Commission's recommendations for cutting the military budget. Keyworth added that Graham's appointment was a "promotion because it gives him equal rank" with current NASA administrator James Fletcher.

### Sam Nunn may revive troop-pullout bill

Senator Sam Nunn (D-Ga.), senior Democrat on the Senate Armed Services Committee, says he might reintroduce a 1984 amendment to force a U.S. troop withdrawal from Europe if NATO member countries do not increase defense spending. In an interview with Reuter published June 5, Nunn also rapped President Reagan's decision to repudiate the SALT II treaty, saying: "I think it will be counterproductive from the point of view of America's relationship with the allies. I think it will give the Soviets a field day in terms of propaganda."

Nunn said he backed vigorous U.S. research into defense systems, but criticized Reagan for over-emphasizing strategic programs. "Here we are beginning to take a good bit of money from crucial research in the conventional arena where we had our greatest deficiencies, and put it in the strategic arena where I think almost everyone agrees we have a pretty strong deterrent."

Nunn will become chairman of the Armed Services Committee if the Democrats retain control of the Senate this year.

● **VETERANS' GROUPS** have tried to place ads in military-related papers attacking the Gramm-Rudman budget-cutting bill for its savage cutback of veteran's pensions, but have been turned down, according to Pentagon sources. The *Army, Navy,* and *Air Force Times* have all rejected the veterans' ads as "too political."

● **NBC'S PHIL DONAHUE** and Soviet propagandist Vladimir Posner are co-hosting a series of "citizen summits" between residents of U.S. and Soviet cities, to be televised in both countries. Posner is on tour of the United States, and was hosted on June 3 at the American Enterprise Institute in Washington. Said AEI's Judith Kipper, who arranged the event, "To the extent he works for state-controlled organizations, yes, he is a propagandist; but he is not a wind-up toy."

● **DAN ROSTENKOWSKI** (D-Ill.), chairman of the House Ways and Means Committee, was arrested the weekend of May 31 on charges of driving while intoxicated. Rostenkowski posted \$500 bail, after refusing to take a breath test. The arresting officer said he noticed a strong odor of intoxicants in the vehicle, but Rostenkowski denied being drunk; he later withdrew the denial.

● **RICHARD BURT** and Richard Perle have declared a "sort of armistice" in their (alleged) political conflict, the *New York Times* reported on June 4. The former, U.S. ambassador to West Germany, hosted the latter, assistant secretary of defense, at his diplomatic residence on the Rhine recently, and the two attended a convention of Social Democratic Party leaders in Bonn. What the *Times* does not report, is that both Richards are opponents of the Strategic Defense Initiative and advocates of "decoupling" the United States from Western Europe.

## Editorial

### 'Good conservatives,' evil policies

Any "good conservative" who tolerates the Gramm-Rudman-Hollings budget-cutting amendment, is simply no good. He or she is a traitor, and specifically, is helping to reduce the United States to being a helpless prey to Soviet aggression.

Therefore, no one has the right to be "shocked" if a citizen-candidate, such as a member of LaRouche's wing of the Democratic Party or a like-minded patriotic Republican, challenges the professional politicians by running for office, when those professional politicians sanctimoniously sell out the country in the name of "budget cutting."

The Gramm-Rudman swindle is not new. Early in the past century Swiss banker Albert Gallatin cut America's defenses to suit the demands of the banks. That "Gramm-Rudman" led to the burning of Washington, D.C. by the British in the War of 1812.

Gramm-Rudman treats all debts to the Wall Street banks as sacred obligations, but mandates axing the life-and-death needs of national security, economic infrastructure, and public health from the budget to meet arbitrary criteria of reducing the deficit.

This would be stupid enough in times of peace, and also contrary to every principle that built America as the greatest industrial power in world history, under George Washington, Abraham Lincoln, and Franklin Roosevelt's 1939-43 mobilization.

But today, we are not at peace. The Soviet Union is waging an undeclared war on the United States.

The shooting war began in 1983, when the Soviets coldbloodedly shot down KAL-007, killing the nearly 300 civilian passengers on board. It has escalated in West Germany, where Soviet "special forces" are deployed in the midst of the terrorist-sympathizing Greens, in guerrilla actions against the West German institutions. The intended effect is to destroy the Western alliance by driving Germany out of it.

A similar scenario is far advanced in South Korea, which, like West Germany, borders on one of Moscow's most hard-line and brutal communist satrapies.

How are our "good conservatives" responding to

this unprecedented national security emergency? Forty-six senators, including some "good conservatives," have written to the President demanding that the SDI budget be cut to ribbons. That would set the United States further back in the most critical military area, where recent testimony to the Senate by leading scientists shows the Soviets are far ahead.

As far as we know, not one of the "good conservatives" who is applauding the President's long-overdue abandonment of SALT, has stood up to say, "It is now clear that we made a mistake; we must junk Gramm-Rudman."

As long as Gramm-Rudman is in effect, the United States simply cannot *afford* to do what President Reagan has announced, that is, "base decision regarding its strategic forces on the nature and magnitude of the threat posed by the Soviet Union."

Moreover, by this fall, if Gramm-Rudman remains law, a major portion of U.S. ground forces in West Germany will begin to be withdrawn. Henry Kissinger proposes that the U.S. troops be brought back to the United States to be ready for deployments into the developing sector.

Such "conservatives" as Senators Jesse Helms and Phil Gramm are actively aiding the sellout of Western Europe and the NATO alliance, by fanning a propaganda campaign to send those U.S. troops to Mexico, to collect the debt for the same Wall Street banks the Gramm-Rudman law so religiously protects.

(We've noticed that many of our citizens like to quote some irrelevant passage of Scripture when they are about to act in a particularly swinish and un-Christian manner. Likewise, the "conservative" is particularly self-righteous when obeying the dictates of Wall Street—or Mammon, in the Biblical term.)

In West Germany, where the iron fist of Soviet military power is a palpable presence, candidates of the Patriots for Germany party have challenged the ruling "conservatives" on just such issues. The way for a "good conservative" to prove he is good, is to respond positively to that moral challenge.



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