

EIR

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There is a heavy irony in the fact that a liberal newspaper like the *Washington Post* commends the Colombians for their courage in arresting cocaine kingpin Carlos Lehder. For years, the *Post* and the other Eastern Establishment media have been drumming up support for the Medellín Cartel and its drug legalization campaign. Above all, these media have heeled to the American Dope Lobby (ADL)'s orders to slander, villify, and endanger the physical security of the one leading politician in the world who is really committed to shutting down the drug traffic—Lyndon LaRouche.

I suggest that readers turn at once to the introduction to the *Feature*, on page 38, to appreciate the full implications of the Carlos Lehder arrest. The ball is now in the court of U.S. authorities to prosecute not only Lehder, but the entire filthy apparatus that has supported and protected him. As we have been saying all along, the top drug money-laundering bankers have to go to jail.

After the *Feature*, you should look at the 10-page package on AIDS, beginning on page 8 of our *Economics* section. Warren Hamerman reports on the global policy debate, with Lyndon LaRouche far ahead of the field of U.S. presidential aspirants in even addressing this issue. Also in this package is a report from Brazil, where medical editor Dr. John Grauerholz began his South American tour. Next week we will bring you up to date on the precedent-setting conference on AIDS in Rome (Italy) on Feb. 12, where LaRouche and leading European experts on AIDS spoke, as well as the conferences in Colombia and Venezuela addressed by Dr. Grauerholz.

As we go to press, Gorbachov is gathering a high-karat delegation of Western appeasers to his imperial throne in Moscow, to attempt to gather momentum against the Strategic Defense Initiative and for the decoupling of Europe from the United States (see pages 50-54). Next week, *EIR* will publish a full report on the status of the SDI policy in the United States, together with an exposure of what is really behind Gorbachov's so-called "opening" policy.

Coming up in *EIR*: "The Year of the Constitution," a series documenting the legal cases whose outcome will determine the fate of that great charter in its Bicentennial year.

Nora Hamerman

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Feature



Cocaine kingpin Carlos Lehder (second from left) with cronies in his Latin National Movement, which has Adolf Hitler as its hero and the West German Green Party as its co-thinkers. On the left is Movement chairman, "poet" Luis Fernando Mejía.

38 Dope, Inc.'s Carlos Lehder exposed as Soviet agent

In 1967-69, when Yuri Andropov's Soviet KGB launched narco-terrorism, Carlos Lehder Rivas had just gotten his start in Dope, Inc. His recent capture spotlights one of the best-crafted creations of the alliance among Eastern Establishment families, international bankers, the West's intelligence services, and the Soviet KGB.

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Correction: In last week's *Dateline Mexico* column (*EIR*, Feb. 13, 1987, p. 54), a typing error led us to name the ruling PRI party as co-controller of the ESTUNAM university workers' union, instead of the PRT (Revolutionary Workers Party).

In the same issue, we omitted the credit for the cover picture, which was taken by NSIPS photographer Carlos de Hoyos.

Baker and Volcker put transfer ruble on agenda

by Christopher White

The treasonous stupidity of current monetary policy has been sharply highlighted in recent days, once again. The more the Treasury and Federal Reserve act to put pressure on especially West Germany and Japan, to change their internal economic policies, the better the Russians' position becomes, to simply take over whole areas of the world economy on which the United States depends.

No doubt Treasury Secretary James Baker III and Federal Reserve chairman Volcker are already planning to present such an emerging Russian takeover to the befuddled U.S. President as one of the free enterprise system's greatest victories.

Apparently now under discussion between the United States, West Germany, and Japan—according to U.S. sources—is an agreement which will tie the stabilization of the dollar to internal changes in Germany and Japan. Apparently “secret meetings” between the three countries are now under way to work out the details of such arrangements. According to press accounts, the idea is to fix a range, within which the dollar would be permitted to fluctuate. In exchange for this relative stability, West Germany and Japan are supposed to adopt internal reflationary policies, based on the elimination of a certain part of their exports to the United States.

Some people within the United States no doubt do consider that this kind of blackmail and financial warfare scheme is an acceptable method to employ in conducting relations with the United States' principal allies. The leaks therefore reflect this intent, whether or not such meetings are in fact going on.

Similarly, the behavior of the dollar, to the extent the United States is able to influence that, also conforms to that intent, as shown in the game Baker and Volcker are playing out, over whether the dollar should continue to fall or not,

and if so, how fast. In the first two weeks of February, Baker was promoting further declines against the deutschemark, while Volcker was putting out the word that the dollar should not fall further.

In the real world, this game is a monstrous form of chicken game, threatening the allies with a U.S.-provoked depression in their economic activity, and forcing them into the waiting arms of the Russians. The foundations of the Western alliance are thus threatened, and furthermore so is the bankrupt U.S. financial system itself. If their warfare continues, the United States will, sooner or later, find itself without allies, and by its own stupidity, reduced to second-rate-power status, against a Soviet Union capable of commanding the economic resources of most of Western Europe in addition to its own.

Davos Forum—forum for Soviets

The consequences of what Baker and Volcker are up to was laid out most clearly in this year's meeting of the so-called European Management Forum. This is an annual bash for those considered “high and mighty,” at least in their own perception of self-esteem, which convenes annually at the Swiss ski resort of Davos. There, from their mountaintop, the “high and mighty” decide what they want to do with the world over the next months, in much the same way, in their own conceit, as the pagan gods of Olympus were wont to do.

The Davos Forums of earlier years played key roles in the unfolding of the oil shocks of 1973 and 1979. This year's such event was the scene for an unprecedented intervention by Yuri Ivanov, the chairman of the Soviet Union's Foreign Trade Bank. Ivanov announced to the participants that the Soviet Union is presently studying “the convertibility of the ruble” as part of its effort to recruit Western, and especially Western European, corporations to joint production ventures

with the Soviet Union.

This is the same Ivanov who, earlier in the month of January, was featured in the pages of *Pravda* calling for the formation of a new international monetary system to replace the dollar. In that *Pravda* article Ivanov argued that current dollar policies are designed to force the submission of especially France, West Germany, and Japan to the will of the United States, and that therefore an alternative is needed.

His Davos ruble proposal is thus to be seen as an aspect of the outline, to the policymakers of Europe and the United States, of what the Russians think the alternative to the dollar ought to be.

The proposals associated with Ivanov are at the center of an intensifying round of diplomatic activity launched by the Russians. A central focus of this is the Feb. 14 conference in Moscow regrouping financiers, business leaders, peace movement types, and religious spokesmen from the West. As part of the build-up for this conference, the Russians have recently concluded a conference with over 300 French industrialists, on the subject of expanding cooperation between the two economies.

Similar efforts have been made vis-à-vis the Federal Republic of Germany. Most recently Yulii Kvitsinskii, Soviet ambassador to Bonn, was featured in the pages of the newspaper *General Anzeiger* arguing, "Like foreign minister Genscher, we too want to overcome the technological division of Europe. Of interest are environmental protection, transportation, energy and space." Kvitsinskii is proposing that existing trade relations between West Germany and the Soviet Union be upgraded to become "joint production" ventures. This he says will characterize the future, of what he calls "new forms of economic cooperation with the West." Among the proposals being discussed are West German assistance to upgrading the Soviet Union's nuclear energy facilities.

The collapsing dollar scenario

How do Baker and Volcker fit into this? It's really very simple, and their rigging of the latest crisis of the dollar is central to the unfolding pattern of treason, against the Western alliance as a whole, and the United States in particular.

They are using the collapsing dollar as a club to attempt to force Germany and Japan to eliminate that portion of their productive capacity which is tied to a share of those countries' exports to the United States. This is how they intend to deal with the so-called crisis of the United States trade deficit, running at \$170 billion for 1986. They do not intend to increase the level of U.S. exports, but rather to decrease imports into the United States.

To this end, two means are available:

- One, reducing the purchasing power of U.S. consumers, to the point that a significant ration of that 20% plus of domestic consumption which is accounted for by imported goods, will no longer be imported. This began to show up in

the 33% collapse of automobile sales for the month of January.

- Two, rigging the dollar at levels below which it becomes too costly for West Germany and Japan to export to the United States.

Insiders in Europe see that latter as the principal objective of the latest round of U.S. sponsored and encouraged dollar-bashing.

What then is supposed to happen to an economy, such as West Germany's, which depends on the export of approximately 40% of its total output in order to maintain breakeven conditions? To survive Germany will have to find alternate export markets. Given the way the world is presently organized there are not too many such markets of choice.

Inside the United States there have been some voices raised in opposition to some aspects of what the Volcker-Baker duo are doing. It is argued that a precipitous drop in the dollar wipes out interest earnings of foreign investors in the United States, and therefore those foreign investors are putting their money elsewhere. Interest rates internally begin to rise again to supposedly choke off the renewed threat of inflation, and the U.S. economy goes into recession. Volcker himself has voiced these fears.

'American System' reorganization needed

The insanity is that in the so-called game as rigged there are no acceptable solutions. The United States is destroying its alliances in favor of the Soviet Union, and destroying itself, in favor of the Soviet Union. The kind of monetary alternative the Russians are now fielding in Europe may mean that there is not too much longer a time-frame in which these gentlemen like Volcker and Baker can continue to delude themselves, and others, about what it is exactly that they are doing.

U.S. monetary policy could be reorganized, to the benefit of both the United States, and its alliance and trade partners. Democratic presidential candidate, and economist, Lyndon LaRouche is the author of workable proposals concerning how to do that. The methods proposed have been employed successfully over the course of American history, from Alexander Hamilton through Lincoln down to the Roosevelt war mobilization. The approach requires pegging the dollar to a gold reserve standard, and issuing gold-backed treasury notes, as the basis for credit for agriculture, industry, and infrastructure into the otherwise bankrupt banking system.

Against this, those who are in effect contributing to handing Europe over to the Russians, argue that their monetary system and its banks are still fundamentally sound and viable, and in no need of such reorganization. The time is fast approaching when the consequences of their own policies will confirm that they were not only wrong, but insane, to continue to promote the measures that they have promoted.

By that time many would no doubt consider a treason trial to be too good for them.

Why the AFRICA Fund will not help to overcome apartheid

by Uwe Friesecke

Among the representatives of the Non-Aligned Nations who recently initiated the AFRICA Fund, there are definitely a number of personalities who are seriously concerned with overcoming the growing conflict in southern Africa. Their intention may very well be to lay the basis for a more just political order based on economic development of the region.

But so far, the design and the publicly stated intentions of the fund show a clear misconception of the underlying dynamic of the conflict and miss the crucial factors which must bring about a positive solution to this conflict.

The exact opposite of what is proposed must be done. South Africa must be induced to get involved in a new continent-wide plan to save Africa. We need the revival of long-existing ideas which see South Africa's future in contributing to the industrialization and agricultural development of the rest of Africa. Only in this context can the Apartheid system be demolished and replaced by a constitutional system of government which is based on the principles of the inalienable rights of man.

Not the number-one problem

World public opinion has been successfully manipulated to create the perception that apartheid is the number-one problem of the continent. In reality, it is not. Of course, the apartheid system in South Africa is contrary to all values of Western civilization and must be overcome. But the question is how to do this without losing the nation of South Africa and the continent.

The initiators of the AFRICA Fund underestimate the determination of political forces in the West and in the Soviet establishment to destroy South Africa and Africa. The real policy of racism vis-à-vis Africa originates in those Western establishment groups who are behind the policy of the International Monetary Fund and the World Bank. That policy has killed millions of Africans in the last 20 years—many more than ever fell victim to the apartheid policy in South Africa. This is a fact which most of South Africa's representatives are too cowardly to point out.

The very establishment in the West which is organizing the sanctions policy and the support for the African National Congress (ANC) and the Southwest African People's Organization (SWAPO) is the establishment which insists on genocidal IMF conditionalities for all of Africa and thereby is responsible for the human catastrophe on this continent. This is most dramatically expressed in the spread of AIDS, which

is on the road to wiping out the entire population of Africa within the next decade.

South Africa has become a target for the forces controlling the IMF precisely because it is the only industrialized country of Africa. South Africa could easily develop into the Japan of Africa and help solve the problems of the continent. But from the point of view of a Wall Street banker, there is no place for an industrialized nation in Africa. Therefore, in their view, South Africa has to be destroyed no matter what the consequences.

The Soviet interest

The Soviet Union, on the other hand, looks at southern Africa entirely from a geopolitical standpoint. The Soviet aim is to deny the West access to the strategic minerals of the area, and at the same time, build up the Kremlin's own strategic position. Therefore, they have adopted a combination of an arms build-up in the front-line states, especially in Angola, and a policy of scorched earth through deployment of terrorism and tribal warfare.

Because of the willful stupidity of the West, the Soviet Union was capable of building bases in Angola and Mozambique, thereby gaining critical access to the South Atlantic and the Indian Ocean, which is no longer matched by U.S. military presence. The most effective weapon for the Soviets in southern Africa is to sit back and wait while the Western foreign-policy mafia destroys Western political influence in the region.

This is happening right now. The Soviets are laughing at the way Western policy is destroying the region and handing it over to their strategic influence.

It is therefore the worst thing to contribute to that process of political disintegration by supporting the ANC/SWAPO combination, sanctions, and further isolation of the African government. It is furthermore a total illusion that the efforts of the AFRICA Fund could make the front-line states economically independent of South Africa.

Internally, South Africa is going through a most difficult process. As a reaction to the more aversive outside conditions, the white government has tightened up. Right now, there is no perspective for spectacular reforms or lifting of the security measures. The Botha government is digging in. By no means has the full weight of the security forces been deployed yet. South Africa today is not comparable to Rhodesia in the 1970s.

Developing the continent

The key to a peaceful solution to the conflict in southern Africa is to find a way of involving South Africa in the rapid economic development of the continent, especially its immediate neighbors. Such an economic development perspective for South Africa, in turn, must be used to force through the necessary changes in the constitution of the country so that the apartheid system can be abolished altogether. A bold initiative from the Group of Non-Aligned Nations would try to win over South Africa to their side in the fight against the International Monetary Fund.

In turn, a clever South African government would seek a political alliance with other debtor countries, especially in Ibero-America, to destroy the IMF. Destroying the IMF policy structure and replacing it with a new world economic order would free the African continent, and thereby give South Africa an outward-oriented perspective for its future in Africa.

Black African nations must be brought to the point that they admit the white population to be part of Africa as well as everybody else. This security guarantee can only be given if the whites of South Africa make themselves useful for the good of the African continent and if they at the same time agree to the necessary constitutional changes.

We admit: This approach runs contrary to the prejudices of almost all factions involved in the conflict. But it is the only workable solution.

What is the AFRICA Fund?

The AFRICA Fund, an acronym for Action for Resistance to Invasion, Colonialism, and Apartheid, was mandated at the eighth Non-Aligned Summit in Zimbabwe in September 1986. Details were formally hammered out by a group of Non-Aligned Nations which met in New Delhi, India on Jan. 24 at the invitation of Prime Minister Rajiv Gandhi, one of the Fund's initiators (see *EIR*, Feb. 6, 1986, p. 44)

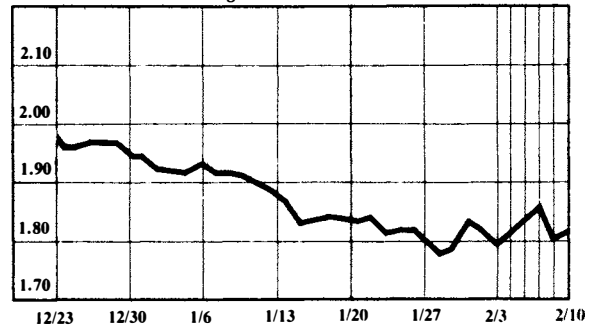
As stated in an 800-word appeal issued from that meeting, "The main purpose is to develop and enhance the self-reliance of the front-line states," Angola, Zimbabwe, Zambia, et al. bordering on South Africa.

The appeal is accompanied by a 50-page plan of action setting forth projects and measures covering seven areas of priority assistance to the front-line states. However, the fund also extends support, political and financial, to the so-called "liberation movements" in South Africa and the region, all Soviet-controlled and terrorist-oriented.

Currency Rates

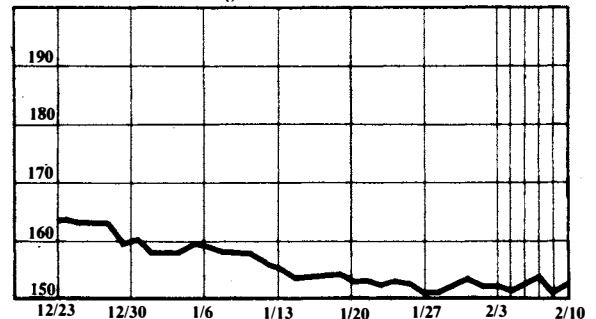
The dollar in deutschemarks

New York late afternoon fixing



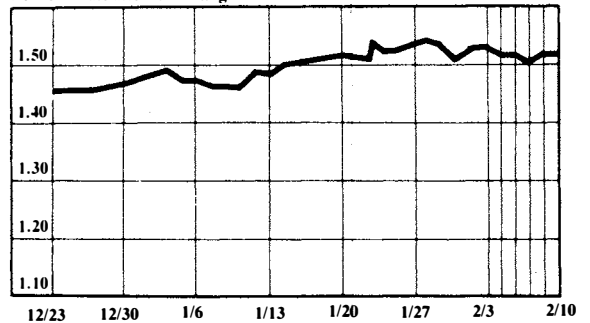
The dollar in yen

New York late afternoon fixing



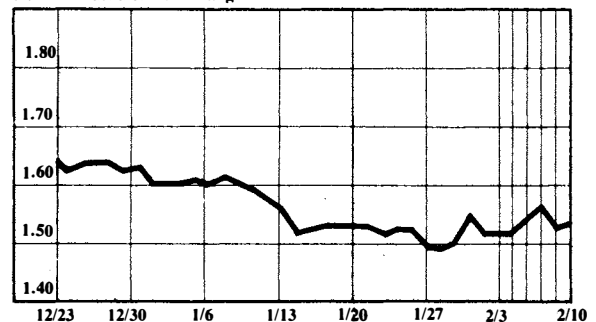
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



AIDS issue will shape 1988 presidential campaign

by Warren J. Hamerman

The global war which must be waged against the AIDS pandemic cannot be won without a U.S. President who is committed to deploying the immense scientific, governmental, and military resources at his disposal to winning that war. Furthermore, given the reality of the threat of AIDS to the general population and the fury of citizens at the inaction and incompetence of government response to date, it is inevitable that policy on AIDS shall shape the 1988 presidential elections.

Addressing several hundred government, medical, and other officials on Feb. 12 at an international conference on AIDS in Rome, Italy, 1988 Democratic presidential candidate Lyndon LaRouche, globally known for his energetic campaign on behalf of California Proposition 64, emphasized that AIDS has emerged into general focus as the most profound issue of our time and, perhaps, all times.

In nation after nation, while traditional health and government institutions such as the Atlanta Centers for Disease Control (CDC) and Geneva-based World Health Organization (WHO) have lost their credibility through inaction, cover-up of the threat of the disease to the general population, and failure of adequate policy leadership, associates of Lyndon LaRouche and advocates of his policies are fast becoming the rallying-point for all those who wish to take effective action against AIDS.

This occurrence has resulted from three simultaneous processes: 1) the willful inaction and malfeasance of those authorities and institutions who ought to have acted; 2) the desperate attempt of governments to "keep the lid" on the true dimensions of the threat because they were opposed to the immense budgetary expenditures necessary for adequate public health and research programs; 3) the precision of the programs proposed by LaRouche and his associates.

In Atlanta, Georgia, responding to intense pressure to change policies, on Feb. 3 the CDC's AIDS coordinator, Dr. Walter Dowdle, announced that the agency is considering recommending mandatory AIDS tests for hospital patients, pregnant women, and couples applying for marriage licenses, in a bid to slow the AIDS epidemic. The agency has not

drafted such proposals, he noted, but intends to sponsor "debate" on the issue. "We're not saying this is what we're actually going to do. We're looking at the options right now." Dowdle stated that the CDC would sponsor a public hearing on mandatory AIDS testing in Atlanta on Feb. 24-25.

One week later, Dowdle issued a public statement "retracting" his previous announcement that the Atlanta forum on mandatory testing is an "open hearing." Typical of CDC's policy of cover-up and hypocrisy, Dowdle claimed that the previous CDC statements were in "error" because the event was a "conference" with invited speakers and not an open "hearing." Why the retraction? The CDC admitted the maneuver was an attempt to keep LaRouche's policies from dominating the meeting. The defensive Dowdle told a LaRouche representative that "everyone knows LaRouche's policies already" and "all you really want" is a head-to-head confrontation with the CDC.

Global battle

With the entire human species threatened by the out-of-control spread of the AIDS pandemic, governments from the United States to Brazil, Colombia, and Venezuela—where *EIR's* Dr. John Grauerholz has been conducting a highly successful tour—and from France, Britain, Germany, and Italy to Japan are feeling immense political pressure to implement necessary emergency public health and crash research policy actions needed to stop the spread of AIDS.

- *Italy*: On Feb. 4, Italian Health Minister Carlo Donat Cattin called for compulsory AIDS screening for jail inmates, military personnel, and hospital workers. He also called for monitoring of AIDS carriers with regular check-ups.

- *England*: The British government is drawing up plans for a multimillion-dollar research program to find a cure for AIDS. The *Times* and *Daily Telegraph* said that authorities might invoke wartime powers, last used in World War II, to find a cure for malaria, to organize the massive research effort. Sir James Gowans, secretary of the Medical Research Council, said officials would soon approve an AIDS cure program costing the equivalent of \$4.5 million in its first

year. The newspapers said the government was considering invoking rarely used powers to direct scientists to organize a \$15 million research program. The government is considering a policy of anonymous testing on all blood samples taken from hospital patients, in which the patients would not be told the results, British Chief Medical Officer Sir Donald Acheson told the House of Commons Social Services Select Committee Feb. 4.

- *West Germany:* A leading AIDS doctor from Frankfurt University on Feb. 5 told a TV audience: "We need a kind of defense ministry in order to fight AIDS, with a budget of millions of marks." In the same interview, Dr. Stille warned that saliva can keep AIDS viruses alive for some time, and thus could transmit the disease through kissing. According to statistics in the Feb. 8 *Bild Am Sonntag* newspaper, AIDS has infected about 1% of the population in Germany's largest cities.

- *France:* The Feb. 7 issue of *Figaro* magazine reported that 13 million Frenchmen will be contaminated with AIDS in the next five years. It cites calls by French scientists to "wage a war against AIDS at once."

- *Japan:* The Japanese health ministry released a 16-page booklet on AIDS Feb. 2, that warns that 100 million people internationally could die from AIDS by the year 2000.

The American mood

A February poll taken by *Newsweek* magazine asked respondents: "Which of the following groups should have their blood tested for AIDS?" Fifty-two percent of those surveyed said that "everyone" should be tested; 87% said that high risk groups such as homosexuals, intravenous drug users, and their sex partners should be tested; 71% said that people in occupations such as food handlers, teachers, and health-care workers should be tested; 80% of respondents said that people applying for marriage licenses should be tested; and 77% said that people entering hospitals for treatment should undergo AIDS tests.

On Feb. 11, Surgeon General Koop stalked out of his own forum at Harvard University after an associate of Lyndon LaRouche confronted him. According to Boston area newspaper accounts the next day, "Koop stalked quickly from the stage after a member of the audience accused the media and the Reagan administration of a conspiracy to cover up the true causes of AIDS and how it is spread. When the questioner's comments drew scattered applause, Koop called the question and the response ridiculous and left."

Summarizing the mood of millions of Americans, the questioner referenced the fact that Americans are furious that the government has done virtually nothing to stop the AIDS holocaust. The questioner charged: "Your AIDS report and safer sex policy is a fraud which will help kill millions, and possibly everyone in America. Dr. Koop, when will this administration finally dump Don Regan, and spend the money necessary to combat AIDS with a crash program?"

Koop has made himself a target of public outrage for his promotion of "condom education" on television and in grade schools. While many independent stations have carried Koop's suggested advertisements for condoms, the three national networks refused to broadcast them. Koop's position is based upon what he knows to be an untruth: the assertion that AIDS is merely a venereal disease and can therefore be stopped through contraceptives.

Pressure for more stringent public health measures to slow the spread of AIDS was intensified when it was reported Feb. 3 that two doctors at Chicago's Cook County Hospital had recently died of AIDS, and a third was still working there. The doctor, who was suspended from his job briefly, was reinstated when the Cook County Medical Board ruled Feb. 10, that he can continue working as long as he does not conduct physical examinations.

The same week the CDC announced its call for a debate on mandatory AIDS testing, it also released an estimate that by the year 1991—just four years away—more than 12,000 children will have been diagnosed with AIDS or AIDS-related complex. "It's quite possible that in certain major urban areas, AIDS will kill more children than any other infectious disease," said Dr. Martha Rogers, chief of pediatrics and family studies for the CDC's AIDS program.

The basis for optimism

In his speech to the Rome conference, Lyndon LaRouche declared: "While grasping the awfulness of what has already happened, we can be optimistic about our chances of conquering the species-threatening AIDS pandemic." Unless governments act along the lines of a combined optical biophysics research and traditional public health approach, LaRouche predicted that more people will have died in the next 10-12 years than in all wars in this century combined. And yet, governments are doing nothing, thus demonstrating their unwillingness to defend their own populations. "Those governments appear to have lost the moral capacity to survive, and they will not survive." The reason governments have not instituted the two obvious measures of screening and isolation, is, they themselves say, that they "can't offend homosexuals and drug users, that they can't interfere with the political right of infected persons to kill 200-300 others by silently spreading the disease." The other reason is budgetary; governments say they "can't afford" to care for the sick.

Yet, in the midst of this apocalypse, LaRouche stressed, we can be optimistic, like a commander in warfare. "We look at the casualties which we have, in a certain sense brought upon ourselves, but we bring the casualties to an end by winning the war. Funds can be generated for the effort, by increasing the economic output of the economy, as was done with the Manhattan project."

No 1988 prospective U.S. presidential candidate can avoid addressing this question in concrete terms.

My program against AIDS

by Lyndon H. LaRouche, Jr.

The following statement was released on Feb. 7, by the campaign of presidential candidate LaRouche in the New Hampshire Democratic primary.

As many New Hampshire citizens know, last year, some friends of mine in California put a proposed law, called Proposition 64, on the state's November election-ballot. I supported that proposition actively. California Proposition 64 would have merely commanded state government officials to classify AIDS as a dangerous contagious disease; existing laws for such classes of infectious diseases would have been enforced.

For this, I was attacked violently, as an "extremist," by most of the major national news media and the leadership of both major political parties, as well as by a multimillion-dollar campaign launched by combined forces of homosexual groups and Hollywood celebrities. Attacks against my analysis of AIDS were issued by such agencies of the U.S. government as the Atlanta Centers for Disease Control (CDC), and the Surgeon General of the United States, C. Everett Koop. The United Nations' World Health Organization (WHO) supported CDC's claims. The Reagan administration insisted that the measures I proposed against AIDS would be "cost prohibitive." Despite this campaign against me and the proposition, the proposition received approximately one-third of the vote.

Since that November election, nearly everything which I said about AIDS during 1985 and 1986, has been endorsed by leading international authorities. In November 1986, the World Health Organization's head, Dr. Mahler, declared publicly, in New York City, that WHO had been wrong, that WHO had greatly underestimated the danger of the AIDS epidemic. More recently, Surgeon General Koop has declared that AIDS is a greater danger than the Black Death. CDC has demanded that general testing of the population must be seriously considered. Now, most of the world's experts are admitting that my 1986 estimates for the spread of the infection, were accurate. Now, most experts agree, that the AIDS infection is probably 100% fatal, after an incubation period ranging from a few years to as long as more than 10 years in some cases.

Today, if they were honest, our national news media, our major political parties, and many others, would come out to

state publicly that they had been wrong in every one of the attacks they made against me over the AIDS issue during last year. Today, throughout the world, a growing number of government officials and major news media, as well as medical and biological experts, are reporting the same things I said in 1986, in today's screaming headlines.

By the time of the 1988 New Hampshire primary elections, the AIDS pandemic will be the hottest popular issue in the United States, and most other parts of the world. Already, because of the failure of governments to act, there is a growing pattern of AIDS-related killings and suicides around the world. That pattern will skyrocket over the coming months of 1987, and will explode during 1988, unless governments act very soon to reassure people, by introducing general AIDS testing and such degrees of isolation of AIDS carriers as may be medically necessary. AIDS is not only a very hot political issue; it is an issue filled with powerful impulses for violence.

Although many among you may not yet realize this today, your choices in the 1988 Democratic primary will either be based on your legitimate fear of the AIDS epidemic's spread to your community and among members of your family, or these just fears will be at least one of the leading factors in your choice of candidate. Since the issue will be a very hot issue, some of the candidates, especially those seeking the support of the very wealthy homosexual and pro-drug lobbies, will spread more and more false information about AIDS, especially as we move into the fall 1987 period of more intensive campaigning. It is important that a significant number of citizens in every community in the state begin to study the AIDS issue now, so that the majority of New Hampshire voters will be able to make choices which they would not later regret, during the final weeks of the primary campaign.

I shall present the leading, presently known facts about AIDS, trying to present these facts in a way which the ordinary citizen can understand. Before doing so, I shall identify my special qualifications to write on this subject.

As most of you know, I am an economist; a former management consultant, by profession. Although I am a leading expert on all aspects of economy, except stock and bond markets, my particular specialty is what is known as "physical economy," how technology affects the relationship between the physical production and distribution of goods and average productivity and standards of living of nations. One of my sub-specialties, is the relationship between levels of development of physical economy and the potential for spread of epidemic diseases.

Back during 1973-74, I organized a special task force to make a long-range analysis and forecast of the increase of epidemics and pandemics in various parts of the world during the late 1970s and 1980s. A forecast was produced and published at the end of 1974, which forecast the general increase of famines and epidemics during the 1980s, a forecast which stands out as very accurate in light of the recent years' statis-

tics.

That forecast was based on the same statistical and related information which specialists in epidemiology use for forecasting and analyzing famines and epidemics. My friends' work interpreted these statistics from the standpoint of a branch of biophysics known generally today as optical biophysics. This emphasis on optical biophysics proved to be very valuable, as we concentrated more and more on AIDS during the recent three years. We applied what we had learned from cancer research, and consulted with a large number of the world's leading medical specialists and biologists, to pull together a picture of every scrap of information known in Western Europe and the Americas about AIDS. My own work is directly advised by a team including a number of physicians and public health professionals. This team digests the information we are collecting from our contact with professionals in various parts of the world, and advises me on my interpretation of this information.

More recently, during the recent months, we have used the same computer facilities my friends use for economic forecasting, to construct a series of computer models for the forecast spread of the AIDS infection. These computer studies forecast the spread of the disease, based on existing best knowledge of the behavior of AIDS and related kinds of human and animal epidemics. This work is being done currently at a center in Western Europe, and progress in this work is being reported occasionally in the international newsweekly *Executive Intelligence Review*, as well as in specialist papers written for the information of medical and biological professionals, as well as agencies of governments. I have written the designs for these mathematical models, and teams of mathematicians and engineers are transforming my designs into worked-out computer programs and reports.

I shall now summarize the most relevant facts which every intelligent citizen should know. Then, I shall state both my opinion on what we know, as opposed to what we do not yet know. I shall include a proposed action policy for dealing with this deadly pandemic.

1. What is AIDS?

AIDS is one of the names for a variety of human and animal infections, a class of infections which physicians, veterinarians, and biologists began to recognize about 50 years ago, beginning with studies of a killer epidemic among the sheep of Iceland, called Maedi-Visna. Specialists in Iceland were the first to recognize that Maedi-Visna was caused by what seemed to be a new class of virus, called "slow viruses." At first, many medical authorities and biologists refused to admit the existence of any kind of "slow virus." Reluctantly, the professional journals admitted that "slow viruses" do exist. Over the decades, it was recognized that certain killer epidemics among sheep, horses, and other animals, were caused by "slow viruses" very much like the Maedi-Visna virus.

What we call AIDS is the first known appearance of a

killer form of "slow virus" epidemic in mankind. It is closely related to similar diseases among animals, such as Maedi-Visna, and also belongs to a group of such "slow viruses" found to be transmissible among monkeys and apes. Some of these "slow viruses" can be transmitted from monkey or chimpanzee to man, and vice versa; in some species, these infections appear to be harmless to the carriers, while in others, they are killers.

The special features of these "slow viruses" include the fact that they are of a type called "retroviruses." Once they enter an infected cell, they become part of the cell's genetic structure, probably during the process of cell reproduction called mitosis. They reproduce as part of the cell's genetic material, and, under conditions which are not fully understood, the infected cells produce free virus, which roams through the body of the victim, to infect other tissues. The two routes of infection within the body on which most attention is concentrated presently, is that the virus infects a part of the body's immune system, called the T-cells, and also infects nerve and brain tissue. The infection of the T-cells carries the infection to every part of the body; this causes many experts to classify AIDS as a blood-transmitted disease.

We began to recognize AIDS in the United States about 1981. Initially, most of the ideas about AIDS by the medical experts included the wickedly false assumption that AIDS could not be transmitted through blood banks. In 1983, France's Pasteur Institute isolated the retrovirus, and that discovery was soon repeated in the United States.

When did the AIDS infection of human beings actually begin? How much earlier than 1981? Some stocks in African and other blood banks included donations dating from 1976. Some of these have been tested, and show a significant small incidence of the virus back then. Blood samples from some experimental studies on other subjects dating back to the middle 1970s also exist. We have no clear idea when, or where the infection began, although it appears to have been spreading in both Africa and the United States during the middle 1970s.

There are many things we know about AIDS today, but also many important things we do not. Presently, with funds for biological research cut way back by both government and private agencies, our investigation of the important unknowns is proceeding very, very slowly.

My best information obtained from various of the world's leading experts today, is that we do not yet understand adequately the respective importance of infection of a person with the free AIDS virus itself, as opposed to infection with diseased cells themselves infected with AIDS.

The most commonly discussed causes of death from AIDS infection are deaths from infections other than the AIDS infection itself. Either some other infection causes the AIDS virus to "break out" from the chromosomes of already infected cells, and begin a cycle of breakdown of the body's resistance to other infections, or, the breakdown of the body's

resistance creates a condition in which infections other than the AIDS itself cause diseases leading usually to death. This is the general meaning of "AIDS-Related Complex" (ARC).

Infections which cause the "sleeping" AIDS in a carrier's body to break out, to produce symptoms of AIDS or AIDS-related sickness, are usually referred to as "co-factors." Most of the symptoms associated with AIDS-related sicknesses are called "opportunistic infections."

If the carrier of the AIDS infection does not die of some combination of co-factors and opportunistic infections, the carrier will ultimately die of a general collapse of the neurological system. This often occurs as a shrinking and collapse of function of the brain, a condition called "AIDS dementia."

The period of infection prior to eruption of symptoms of either AIDS-related sicknesses, or "AIDS dementia," is presently believed to vary between several years, to more than 10 years. During most of that entire period, the person infected with the AIDS "slow virus" is an active carrier of the infection to other persons, whether the infected person shows symptoms of sickness or not.

2. How dangerous is AIDS?

The best evidence so far, is that every person who catches the AIDS infection will die as a direct or indirect result of sickness brought on by that infection—unless, of course, the person dies for other reasons during the meantime. Your chances of surviving the Black Death, are much better than if you are infected with AIDS. We expect half or more of the people infected with Black Death to survive, even in cases which are essentially untreated; we expect 100% of those infected with AIDS to die as a result of the infection, even if they are supplied the full range of treatment presently available.

That is not the worst of it. AIDS is a slow virus. In the case of the usual sort of killer virus, the infected person comes down with symptoms within less than two weeks or so, and then either recovers or dies. Once the person has recovered, or died, the person ceases to transmit the infection to other persons. AIDS-infected persons are silently transmitting the infection to others over periods as long as from three to a dozen years, and during most of those years they show no clinical symptoms of the disease. It is a fair ball-park estimate, to say that the ratio of the number of carriers to number of sick, with AIDS, is about one hundred times the ratio for any ordinary sort of virus, perhaps significantly more than one hundred.

Even worse, there is no class of persons which can not be infected, even if the initial concentration of AIDS carriers appears to be limited generally to homosexuals and drug-addicts.

On this issue, the U.S. government and many other supposed experts lied their heads off during 1986. There is no known case, in which any research institution has conducted tests to determine whether AIDS is or is not actually transmitted by coughing, kissing, or insect-bites, for example. These tests could have been made with monkeys and chim-

panzees, for example. The tests are very standard research procedure; all the equipment and specialist skill needed to conduct such tests is sufficiently available that the tests could have been made. They were not. The U.S. government and other specialists knew that these tests were not made, and that the government was unwilling to allow them to be made. For that reason, these so-called authorities were not making an honest mistake, when they said AIDS could be transmitted *only* by sex or needles; they were telling conscious falsehoods; they were lying.

In some tests, we have found free AIDS virus in the lungs, the saliva, and even the tears of infected carriers. We have proven that biting insects can carry contaminated fluid from an infected person to a non-infected one, at least if the two successive bites occur within perhaps a few hours of one another. We have a known case, in Germany, where one child transmitted the infection to another by biting. We have not proven, by accepted methods of research, that such transmission actually occurs in more than rare cases, although we have proven all of the factors showing that such transmission is possible. We also know that in almost identical infections of sheep, cows, and horses, aerosol and insect-bite transmissions are the usual routes. Yet, so far, our government has refused to conduct the rather basic tests, with monkeys, which would have shown the range of probability for transmission of AIDS by these routes.

In black Africa, where the infected percentiles of the local populations run as high as 15%, every category of the population is affected, including large percentiles of young children and senior age-groups, most of these outside the so-called high risk groups. We find similar trends in poor areas of the world, especially in those areas where tropical diseases are commonplace. We are finding a growing percentile of persons infected, outside "high-risk group" classifications, in North America, and Western Europe. We know that massive amounts of infection are being transmitted by means other than the so-called high risk routes, but, still, governments and others persist in the unscientific argument, that clean needles, condoms, and forcing our school children to look at disgusting pictures, is all that we should do against this disease's spread.

What is the answer to this particular, worrying question? Exactly how is the disease transmitted?

No one disputes the fact that contaminated blood and homosexual acts are pure suicide. No one disputes that homosexuals and drug-users are the persons responsible for most of the buildup of carriers in the United States and Western Europe. It is now estimated that one in ten in New York City, are AIDS carriers, and that cities such as Baltimore, Miami, Washington, D.C., and San Francisco are not that much better off. It is true, that but for the homosexuals and drug-users, we would not have the AIDS crisis which exists in the United States today.

Does this mean, that since most homosexuals and drug-users will be infected by about 1990, that the problems of AIDS, homosexuality, and hard-drug addiction will elimi-

Other candidates on AIDS

An *EIR* survey of several potential 1988 presidential candidates shows that they generally support the do-nothing status quo:

Mario Cuomo: The New York governor rejects mandatory testing, contact tracing, or any other measure that would allegedly infringe on civil liberties, according to Frances Tarleton, a spokeswoman for State Health Commissioner Dr. Peter Axelrod. Cuomo feels "so strongly about the civil rights aspect of the AIDS issue" that he plans to introduce legislation in the state legislature making it illegal for employers and others to try to screen people. He also backs New York's policy under which only victims of full-blown AIDS, as opposed to those who test positive for the virus, are reported to state health authorities. He has set up two committees to advise him on AIDS policy. One is headed by Episcopalian Bishop Paul Moore, who violently opposes the DoD's policy of screening new recruits for the disease.

Rep. Richard Gephardt (D-Mo.): He believes that AIDS is a major public health threat, and will speak to the

issue in a speech on health policy this month. But he opposes mandatory testing, even in special cases (e.g., drug users), and also opposes drug tracing. "It's not worth the cost until we find a cure," according to aide Alice Ziegler.

Rep. Jack Kemp (R-N.Y.): According to legislative assistant Mary Burnett, Kemp thinks that recent statements by Health and Human Services Secretary Dr. Otis Bowen and others calling AIDS a worse menace than the Black Death, are "apocalyptic." He believes that the administration has allocated sufficient resources to the fight against the disease.

Rev. Pat Robertson: Although he has attacked the idea that the AIDS virus has civil rights, and warned that the epidemic is going out of control, he also said, at a Dec. 6 press conference, that "the public is not ready to take the steps that would be required to stop it." When *EIR* asked him what these necessary steps are, Robertson squirmed: "Well, I'd rather not say because then I'd be labeled as someone who was advocating them."

Alexander Haig: He thinks that AIDS is a "big problem," with needs "leadership and resources," but refused to be more specific when questioned by *EIR* in Virginia on Feb. 12.

Other candidates: repeated calls to Vice President **George Bush** and **Gary Hart** drew no response.

nate themselves by about A.D. 2000, leaving most of the normal population untouched?

This is really two questions. On the first level, let us assume that the AIDS virus was spread in the exact variety of retrovirus studied in 1983. On the second level, we must take into account the fact that several, evolved varieties of AIDS are already known. On the first level, we must examine the potential for transmission of the 1983 variety of AIDS by routes other than the so-called high-risk ones. On the second level, we must consider the rate at which the AIDS virus will evolve as the number of persons infected increases.

Take the 1983 virus first, the one for which existing AIDS-reaction tests are designed. Even without completing the needed tests with monkeys, we already know that AIDS is transmitted by routes other than the so-called high risk ones. As a ball-park estimate, if you have contact with an AIDS carrier, and you are neither a homosexual nor a drug-user, your chances of contracting the infection are perhaps 1% as great as if you were a homosexual or drug-user. Tests may show that 1% is too high a figure, or a bit too low; it is a good ball-park figure, until such time as the needed research tests are run.

So, if you do not belong to a "risk group," the probability of your catching the AIDS infection depends upon the num-

ber of AIDS carriers with whom you are in contact. If you are exposed to many AIDS carriers, your chances increase. If you are not exposed to AIDS carriers, your chances are nearly zero. So, the general problem is one of keeping the percentage of AIDS carriers in the population as low as possible. At one-tenth of one percent, the problem might be nearly under control, if you are a normal, healthy person. If the figure rises to 5%, there is a significant risk. If the figure rises to between 10% and 15%, taking the Africa or New York City situation into account, we probably have a red alert situation.

Suppose, however, that new mutations of the AIDS virus occur, as such mutations are already occurring. If the percentage of the population infected is very high, the rates of mutations will increase. Suppose, for example, a mutated form of AIDS is able to infect epithelial cells, and to work its way from there into your bloodstream? Then, your chances of infection by a carrier would increase accordingly.

Is that second case some sort of wild speculation? It is speculation to a certain degree, but not wild, irresponsible guess work. From what we know so far of the characteristics of the virus, it is a likely scenario. It is one of the lines of investigation developing today, especially since several new forms of the AIDS virus were turned up.

We have already made several computer runs for the first case, assuming no important evolution in the 1983 virus. The result is, that no matter how much the "low risk" routes fall below or above the 1% ball-park figure, the same general pattern results. First, the percentile of the high-risk groups infected rises along the usual S-curve pattern, to the level that nearly every member of these groups is infected, and the group begins to become a smaller percentile of the total population, through deaths. Second, as the infection of risk-groups becomes a sizable percentile of AIDS carriers in the total population, a slower, S-curve spread of the infection begins among the non-high-risk-group portion of the population. If the transmission-rate is less than the estimated 1%, the process advances more slowly; if the transmission-rate is slightly higher, the spread of the infection is faster. The pattern remains the same.

Assuming that neither a vaccine nor cure is available, without isolation of the infection to present carriers, the uncontrolled spread of the AIDS infection would probably wipe out the human species by some time during the first half of the next century, or even perhaps earlier.

One expert makes an observation. We know of AIDS-like viruses among monkeys, which are seemingly harmless to some species of monkeys which transmit them, but deadly to other species of monkeys. We know that some species of monkeys became extinct along the way. Were these species of monkeys wiped out by an AIDS-like virus harmless to the species of monkeys which transmit it today?

AIDS is a human-species killer. It is the first infection we know, which has the capability of making the human species extinct.

3. The chances for a medical cure?

Few experts see any hope of a medical cure for AIDS earlier than between 5 and 10 years ahead. Five years ahead, without mass-testing and isolation of AIDS carriers now, between 5 and 10% of the population of North America and Western Europe would be infected, the best experts now agree. Ten years ahead, without a cure, the entire populations of North America and Western Europe might be doomed to extinction, as several entire nations of black Africa, such as Uganda and possibly Zambia, are possibly already doomed today.

The hope for early development of an ordinary kind of vaccine is between very small and zero. In 50 years, no vaccine has been discovered for Maedi-Visna. No sure hope of a cure is presently in sight. No vaccine or cure generally available for between five and ten years, is a very good guess under present conditions.

"Is it impossible, that someone might not discover something?" On the one side, experience and knowledge of history has encouraged me to be a very optimistic person; I will not underestimate the possibilities of human genius. There is a small possibility that the human race might be lucky enough to have something useful for fighting the infection within less

than ten years, or, by a near miracle, within five. Do you wish your government to gamble on such a near miracle, as our government is now doing, and do nothing to stop the spread of the infection in the meanwhile, especially when that same government is cutting back on many of the research programs which might produce useful results?

For between five and ten years yet to come, no responsible government will depend upon any defense but mass-testing and isolation of AIDS carriers.

Our objective must be to develop a medical treatment for the infection within ten years. Why ten years? Because we

We know that massive amounts of infection are being transmitted by means other than the so-called high-risk routes, but, still, governments and others persist in the unscientific argument, that clean needles, condoms, and forcing our school children to look at disgusting pictures, is all that we should do against this disease's spread.

dare not count on success sooner, although certainly we would be very pleased to be luckier.

We have available today three general lines of research:

1) Medical clinical research. This will never produce a cure, although it will provide us indispensable knowledge of the disease and its co-factors. It is an indispensable part of the total package, but will not contribute directly to discovering a cure.

2) Conventional biological research, up to the level of today's state-of-the-art in "genetic engineering." The AIDS problem is essentially a biological research problem, not a medical research problem.

3) Unconventional biological research, specifically the rapid expansion of the field of "nonlinear spectroscopy."

My best estimate of the probabilities, is that we might be lucky enough to win the war against the virus through conventional biological research methods, but that we could surely win the war through an enlarged role of methods of "nonlinear spectroscopy." In any case, conventional lines of biological research will depend to a large degree on techniques and knowledge developed through fostering progress in non-linear spectroscopy.

I must be technical for a moment, here. Since the AIDS

virus infects directly the cell chromosomes, the key to understanding hows AIDS works is mastering the processes of cell-mitosis with this AIDS problem in focus. This research will require some very modern technology. To discover what happens in mitosis, we must be able to detect electromagnetic pulses of one quantum, and to trace their generation and transmission within the cell during every phase of the process leading up to, through, and immediately beyond mitosis.

What we must aim for, in the language of anyone experienced in radar or related matters, is the ability to find the characteristic tuning of the unwanted part of the mitotic process, characteristic of AIDS, and then discover some way to "de-tune" that part of the total spectrum of the cell. Since I have been pushing this line of biological research for a number of years, I can report that the general possibility of doing this is already known; however, I know enough about the problems involved, to report that the amount of research which must be done to master the issues involved, is massive.

This requires very sensitive, very sophisticated electronic equipment. Equipment of this general type exists, as working prototypes. Existing prototypes are not yet sufficiently refined to do what we require, but I know a list of the world's leading specialists, who, brought together as a team, and given assistance from certain instrument-building firms, could develop the equipment we require.

Even if we assume that the needed biological breakthrough providing the cure were accomplished within the scope of more or less conventional lines of biological research, those conventional biological researchers would probably depend to a significant degree on investigations in the area of nonlinear spectroscopy, for analyzing the cell processes, and for analyzing effects of types of pharmaceutical repertoires. Also, even if the nonlinear spectroscopy itself did not produce the needed cure directly, it would be immensely valuable in pushing forward cancer research and related studies of the problems of aging of tissues.

So, a rational course of action for government would involve a twofold program: 1) Public health measures of mass-testing, and medically required isolation of carriers, to get us through the next 10 years; 2) An "Apollo-style crash program" of combined clinical, conventional biological, and optical biology research, the combined effort given the mission assignment of conquering the virus.

4. The issue of homosexuality

There are increasing numbers of people who believe that AIDS is a form of God's punishment to mankind for tolerating the spread of such abnormalities as homosexuality and drug-usage, something like a new Biblical flood, or perhaps an aspect of a looming Armageddon. Certainly, the modern "rock-drug-sex counterculture" is a flagrant violation of the fundamental precepts of Judeo-Christian morality, and certainly the United States would not be threatened by the present AIDS crisis but for the counterculture's role in spreading the infection. I hold it to be true, that Creation has endowed

our bodies with certain functions, including the body's orifices, each to be used in one way, and not contrary ways; AIDS demonstrates afresh, in the cases of the homosexuals and drug-users, and the sexually promiscuous, that if society promotes the violation of the principles of our bodies' design, that society shall suffer in some way or another for this obscenity.

However, I think it almost self-evident, that political leaders, as distinct from religious leaders, must exclude from their role in the processes of government, those kinds of mystical speculations in theology which lead to no majority agreement on governmental action taken according to principles of law.

Since the AIDS pandemic could potentially make the human species extinct, no sane person should object to describing AIDS as "apocalyptic." However, politicians must never hold God to blame for mankind's condition. Responsible political leaders hold themselves, and our government generally, accountable to God for what they do, or fail to do, to deal with the problems of the human condition.

Yet, within the limits of that political dimension, the role of homosexuality and drug-use, in bringing this plague upon our nation, must be taken into account as a moral problem, as well as a practical one. Morally, to a large degree, the homosexuals and drug-users are guilty of bringing this pandemic upon us, to the degree it would not yet exist for us except for the abnormal things such aberrant persons have done to bring it about. I hold that homosexuality, prostitution, and drug-use have no natural rights under our Constitution; indeed, both were outlawed at the time of our republic's formation, such that no judge can rightly claim the intent of the Constitution to afford special rights to these practices. Above all, the notion that testing for AIDS, and quarantine of carriers, is a violation of the special rights of a few, is obscene, when the award of such a "right" amounts to a license to murder the innocent many by spreading a fatal infection.

The political rights of the members of the counterculture are those they enjoy as persons. They have no rights to carry a species-killer variety of contagious infection, any more than they have the right to fire a machine-gun indiscriminately in a public place. They have the rights of the sinner, as we extend the protection of the law to the persons of even the worst among convicted, but the sin itself has no rights, as the crime of the felon is not condoned by the lawful protection we afford to the person of the convicted rapist or murderer.

For these views, I am called "an extremist," and also a "homophobe." By these views I stand, and you must judge me on this account as your conscience instructs you. I am resolved to save our nation, the human species, from extinction, and to protect the rights and lives of the innocent from a foul disease for whose existence they have no blame. No one would have thought to disagree with my present views on these matters in the Rochester, New Hampshire of 1922. How stands New Hampshire today?

Brazil faces 'apocalypse,' say experts in conferences on AIDS

by Silvia Palacios

The spread of AIDS, combined with other epidemic and endemic diseases, threatens Brazil with imminent apocalypse. This crisis must be dealt with by radical changes in the conditions that caused it, or Brazil will sink into something worse than the 14th century Black Death. This conclusion was drawn at a series of public conferences co-sponsored by the Schiller Institute, *EIR*, and the leading health institutions of Brazil, during Dr. John Grauerholz's tour of the country in early February.

The conferences featuring *EIR*'s medical editor Dr. Grauerholz drew 700 people in Sao Paulo and 100 in Rio de Janeiro, and had an impact all over Ibero-America, with wire stories appearing in the major dailies of Mexico and Argentina, *Excelsior* and *Clarín*, and Peru's *El Comercio*.

"The last great pandemic, the Spanish Flu, killed 230 million people, but many have already forgotten it. What is going to happen with AIDS in Brazil under the present economic, social, and cultural conditions and with this obsolete public health system? In a country in which 50% of the population suffers malnutrition, and 500,000 children die every year from the biggest disease in the Third World: hunger?" asked Dr. Ricardo Veronesi, organizer of the event in Sao Paulo.

The myth that only the so-called risk groups catch and transmit AIDS, as claimed by Brazil's impotent official anti-AIDS campaign, was refuted with devastating proof by each of the speakers. At the same time, they alerted government authorities to take effective action without delay to stop AIDS from spreading. "The safe sex campaign will not slow the advance of AIDS," was the headline with which Brazil's influential educational TV news program announced Dr. Grauerholz's visit to Brazil.

Brazil is second in the world, after the United States, in reported AIDS cases. Although official statistics only recognized 1,013 cases in 1986, realistic estimates are that there are 3,000 to 5,000 cases and a horrifying rate of doubling

every three months. Specialists say that there are already 500,000 to a million AIDS carriers. Moreover, the "environmental co-factors" which act as catalysts to rapid propagation, in which regard Brazil rivals Africa in hunger and poor health, make it a major source of infection for the rest of the hemisphere.

On Feb. 5 the city's major newspaper, *Folha de São Paulo*, ran a banner headline on page 12: "AIDS Could Extinguish Man, Alerts Doctor from U.S.A." The paper reported, "U.S. pathologist John E. Grauerholz said yesterday in SPaulo that the only way to check the growth of 'the worldwide AIDS epidemic which could lead to the extinction of the human race' is through large-scale application of tests which detect the virus of the disease. . . .

"The line of action he defends as a representative of the Schiller Institute (a U.S. entity which studies the medical, social and economic aspects of diseases) and as medical consultant to the *Executive Intelligence Review* Biological Holocaust Task Force, conflicts with the prevention programs developed today. For him, the programs are of little efficacy."

'Africanization'

The conferences began with the presentation of the first computerized AIDS model, commissioned by Lyndon H. LaRouche, a candidate for the 1988 U.S. Democratic presidential nomination. The results leave no room for doubt that AIDS is a pandemic which could wipe out the human race.

What had the greatest impact on the audiences in both Rio and Sao Paulo was Dr. Grauerholz's demonstration that once the fast-track AIDS-spreading methods had infected a large mass of carriers belonging to the so-called risk groups, the infection spreads through a variety of "slow-track" methods which increasingly affect the general population. Brazil, like the United States, is rapidly reaching the saturation point by the "fast track."

In Sao Paulo, the event was co-sponsored by the Schiller Institute, the International Society of Infectious Diseases, the Brazilian Society of Infectology, and the Infectious and Parasitological Disease unit of the University of Sao Paulo, directed by Dr. Ricardo Veronesi, the former Sao Paulo city health commissioner. In Rio de Janeiro, it was sponsored by *EIR*, the Rio de Janeiro Physicians Union, presided by Dr. Crescencio Antunes, with the participation of Dr. Mario Barreto Correa Lima, Professor of Medicine, Biological Sciences, and Health at the University of Rio de Janeiro. He said, "Brazil is a source of infection. Doctors from other countries, especially Uruguay and Argentina, report that 50% of their [AIDS] cases were infected in Brazil, especially in the state of Sao Paulo."

Dr. Ricardo Veronesi emphasized, "In this country, AIDS is spread unimpeded, as in the case of the [Sao Paulo] penitentiary, where, of 500 homosexuals, 50% or 60% are infected and obviously infecting the rest of the prisoners, living amidst filth. But state authorities are irresponsible, and don't test the whole jail for AIDS. They say it would cost a lot of money. Could it be that human life has a price?"

In Sao Paulo and Rio de Janeiro, Dr. Veronesi and Dr. Barreto both alerted the audience on the medieval situation of public health. Dr. Barreto said that the spread of AIDS in Brazil combines the characteristics of large cities such as San Francisco and New York with a situation of African-style misery. "Look at the Northeast, where life expectancy is under 40 years. The undernourished population already has a precarious immunological system."

At the same time, new information provided by the Health Ministry and presented by the World Health Organization AIDS chief Dr. Jonathan Mann at meetings attended by *EIR* representatives showed that 30% of Brazilian AIDS cases had African symptomology.

The lack of control over blood banks in Brazil is becoming criminal. Dr. Veronesi indicated, "Tests began in the blood banks two years ago; we initially sent 30 samples to Dr. Robert Gallo. It turned out that three were positive; and the important thing is that those three donors gave at a five-star class blood bank and nobody did anything." This question was dealt with specifically by Dr. Silvano Wendell, who spoke on: "AIDS by Transfusion in Blood Banks; Who Is Responsible for the Crime?"

The demand for massive testing to locate carriers was a clamor during the meetings. "In Brazil, even government agencies have fought against testing for cost considerations. . . . The cost argument cannot stand up; a pack of 200 tests costs \$191 in the United States," Dr. Barreto observed.

The second major aspect of the *EIR* model presented by Grauerholz, was the growing role of environmental co-factors, such as insects and autocatalytic reactions between AIDS and other diseases such as tuberculosis.

As was stated by Dr. Barreto, tuberculosis cases are skyrocketing. There is a new case every half hour, which means an annual increase of 18,000 new cases. On top of this are

the millions of people suffering from chagas disease, schistosomiasis, malaria, and leprosy. Since Brazil has one of the largest homosexual and transvestite communities, the environmental co-factors which rapidly propagate AIDS may be even worse. There are 10 million people with chagas, and 15 million with schistosomiasis. Several million with tuberculosis, 250,000 with leprosy, 500,000 infected with malaria each year, which could rapidly grow to a million cases as indicated by some health authorities.

It is worth saying that Dr. Veronesi just updated his study, "AIDS in Brazil and the Third World," in which he reports the first symptoms shown by a patient with both AIDS and schistosomiasis.

"All the epidemics are growing. . . . Dengue reappeared and attacked 500,000 people here. Four kilometers from this room is found the *aedes aegypti* mosquito," the transmitter of dengue and yellow fever, said Dr. Veronesi. Going into more detail on the role of mosquitoes, Veronesi recalled the experiments made at the Pasteur Institute in France, and asked people to be aware of the density of mosquitoes which have already inundated the cities of Rio and Sao Paulo. "All that is needed for yellow fever to break out among the population is for somebody to get the bright idea of bringing one of those infected monkeys from the reservations to adorn his city garden," he said.

The question of tropical conditions was also amply discussed by Dr. Grauerholz with physicians from the Army Central Hospital during a lecture which he was invited to give there.

Health revolution

The clear conclusion was that the struggle against AIDS would not be successful if it were restricted to "sanitary sex" campaigns, which—even if they were effective—are now too late to hold back the new Black Death. What is necessary—he dramatically emphasized—is a health revolution in the country.

"AIDS will have apocalyptic characteristics; two years ago I foresaw that situation, which was not then endorsed by the World Health Organization. But three months ago, WHO director, Dr. Mahler confessed and asked to be pardoned for having minimized the problem. Today we all should take responsibility for public health. [We should make sure] that AIDS control programs are not managed by homosexuals, but by scientific physicians. We need to change lifestyle, may God have pity on us," concluded Veronesi.

For their part, Dr. Barreto and Dr. Antunes, in Rio de Janeiro, pointed out that the solution to the problem lies in the economy, which in Brazil is still being run to pay debts to the International Monetary Fund. "The debt will not be paid with the health of the people," they concluded. And as a participant in one of the meetings said, "They are going around saying Brazil will soon be the fifth worldpower. . . . I think we are the first, but in diseases, malnutrition, and infant mortality."

More fish stories on food irradiation

by Marjorie Mazel Hecht

EIR recently received the following letter from Vancouver, B.C.: "A friend passed on a Nov. 14, 1986 copy of *EIR*. I was frankly astounded at the article on food irradiation. In my researches I've discovered that not only is food irradiation expensive and dangerous, it's also useless! The enclosed paper is self-explanatory.

"This past summer a shipload of stinking fish was turned away by port inspectors in the U.K. The fish was taken to the Netherlands, irradiated, and returned to the U.K. where it passed inspection. Can you imagine the abuses this process will lend itself to? I am ashamed to say my country is pushing this nonsense on us too.

"Except for deodorizing rotten fish, anything food irradiation does (or rather is supposed to do) can be done cheaper and safer by other means including trichinosis control in pork, salmonella control in fish and poultry, disinfection of grain, etc.

"The only shelf-life food irradiation will extend is that of the international nuclear establishment. Do we really have to go along with their con game?"

What irradiation can and cannot do

As long as the fish stories of the antinuclear environmentalists prevail over reason, the relatively affluent Western consumer can continue the luxury of denying the vast amount of factual information on food irradiation. For the developing nations—faced with a starving or semi-starving populations and crop losses of up to 60% because of insects, rodents, and fungus damage—reason must prevail.

Food irradiation at low doses can prolong the shelf life of fruits and vegetables, can kill trichina in pork and salmonella in chicken, can disinfest fruits and grains after harvest. At higher doses, food irradiation can sterilize the food product, enabling it to be stored indefinitely without refrigeration. (This sterilized food is what the astronauts eat in space; the process was chosen for this purpose because it provided the most nutritious, tasty, and safe way of feeding our space travelers.)

Is the process economical? According to recent studies, it is; and as new irradiation technologies using electron beam

accelerators and x-rays are commercialized, food irradiation will likely become still cheaper.

The "paper" sent by the reader is a letter written by a former food irradiation researcher at the University of California at Davis who worked with fruits and vegetables in 1962-72, Noel F. Sommer. Sommer lists various problems he found with the process, claiming that it damages fruits and is more expensive than other disinfection measures like chemicals and cold storage. (Unlike the irrational anti-nukes, Sommer does not claim that the gamma irradiation is dangerous to the consumer.)

The point is that Sommer's 15-year-old data have been superseded not only by new studies internationally, but by commercialization of the very processes he claims won't work and cost too much. The Netherlands, for example, successfully irradiates and sells strawberries. Israel has successfully irradiated citrus fruits; China has marketed apples; Bangladesh has marketed onions and shallots; and Hawaii intends to disinfest its papaya crop using irradiation.

Fruits and vegetables are particularly delicate, and each product requires precise timing and dosage depending on the mass of the product, its skin type, and so on. In some cases gamma irradiation may not be appropriate because the quality of the product after irradiation is not acceptable. But this is no reason to unilaterally rule out the use of irradiation for other fruits and vegetables.

As for the idea that gamma irradiation would be too expensive, Sommer and the anti-nuclear activists seem to be too busy using his old data to notice that today chemical disinfection agents like EDB are banned and that increased energy rates have made cold storage more expensive than it was in the 1960s. What should the Caribbean nations for example, do with their citrus and tropical fruit crops that they will no longer be able to export because of the ban on EDB? Rather than starve, they have decided to disinfest their crops using gamma irradiation.

When I telephoned Sommer to ask him how he could reconcile the use of his 1960s data in the face of contradictory evidence, such as that put forward by the Council for Agricultural Science and Technology in their July 1986 report on food irradiation, his reply was, "I don't believe that people who I believe are qualified have that position." When questioned further, Sommer added that other people who supported food irradiation and who were working on it at the University of California at Davis "don't know what they are talking about." In other words, if you disagree with Sommer, you must not be "qualified" to make a judgment.

Food irradiation has the potential of immediately increasing the food supply, by preserving and disinfecting the 25% of our food products here in the United States that routinely go to waste before they are usefully consumed. However, there is one thing that food irradiation *cannot* do: take the stink out of "stinking fish," a fact that hopefully should put an end to the particularly preposterous fish story repeated in the letter to the editor.

Patrick Leahy's roadshow

His committee toured the farmbelt to hear of the crisis first hand, and is now calling for exactly what the food cartel wants.

Sen. Patrick Leahy (D-Vt.) took his Senate Agriculture Committee on a five-state swing through the Midwest Feb. 9-11, to hear views on the farm crisis and what should be done.

The five-member group stayed one night at farmers' homes, and one night at local businessmen's households, instead of hotels, in order to get even more of an "earful" direct from the farmers and their friends.

At the conclusion of the trip, Senator Leahy said, "In my 13 years in the Senate, no series of hearings has begun to have the impact on me personally of the hearings we've had in the last three days."

Give us a break! It was all nothing but one more exercise in "taking opinions," and then enacting one or another variant of whatever the international grain-cartel companies dictate.

The tour covered Minnesota, North Dakota, Nebraska, Iowa, and South Dakota—states chosen largely because of the severity of the economic crisis there. The senators heard from over 50 witnesses—farmers, teachers, equipment dealers, pastors, farm wives, bankers, and grain traders. The information presented at the hearings documents how devastating the farm shutdown crisis has become.

At the first night's hearing at the Farmers Livestock Exchange in Bismarck, North Dakota, Leahy said that last year, 65,700 family farmers were driven off the land—more than 1,000 a week. North Dakota Gov. George Sinner held up a long computer print-out of the number of foreclosed or liquidated farms. "In Dickey County, that

amounts to 22,000 acres. The personal agony is true. It's everywhere." He asked for help on farm debt. "Restructuring of farm debts makes sense. No one gains by liquidations and foreclosures."

North Dakota Lt. Gov. Ruth Meiers told committee members the Congress must pass legislation to improve farm conditions in this country. "Federal cuts are proposed when farmers are dependent on the government for continued support."

Earlier in the day, Leahy chaired a panel in Minnesota, on the floor of the Grain Exchange in Minneapolis-St. Paul. Conflicting testimony was presented from various farm spokesmen, all of whom adhered to the current myth promoted by the grain-cartel interests: There is a grain glut in the world, and U.S. farmers are suffering from overproduction. Minnesota Gov. Rudy Perpich spoke in favor of the newly introduced legislation of Sen. Tom Harkin (D-Iowa) that calls for mandatory production controls and export reduction.

Opposing this was Al Christopherson, a vice-president of the Minnesota Farm Bureau, who said, "It's wishful to think strict government controls will assure higher farm prices." But Christopherson had no alternative except to hope for a pick-up in exports to help farm income. Leahy had to pound the gavel to restore order between the opposing sides.

The platform was ultimately used to advantage by a food cartel spokesman—Burton Joseph, a Minneapolis-based grain trader notorious for his

long career in special dealings with the Soviets. Joseph not only supported the Harkin bill's mandatory production controls, but called for a two-tier pricing mechanism, where grain for domestic use is set at a high price, and grain for export is sold at a "dumping" rate.

The real issues, of course, were sidestepped. Leahy and the other panel members, mostly Democrats, got to take a lot of cheap shots at the administration's farm policy, and proceeded to advance something as bad, and probably worse. The Harkin bill mandates deliberate starvation for millions abroad, and dire poverty with attendant malnutrition and disease at home. In the name of "saving the family farmer," it mandates a 35% reduction in food output through scarcity, and high prices on what remains.

Leahy also took testimony from a radical pastor, who said that federal expenditures on defense were the problem for farmers. According to Charlotte Reif, a pastor from Guthrie County, Iowa, "The government has spent money on things it can't afford and we're being bankrupted by arms manufacturers."

Leahy's road show was a hoax. What is required is a package of wartime-style production measures—low-interest credit, a freeze on farm debt, and a foreign policy of strengthening the economies of our friends, allies, and trading partners.

On Feb. 11, during the Senate committee tour, corn futures fell to their lowest level in 15 years. The contract for March delivery on the Chicago Board of Trade fell 4¢ to close at \$1.48½ per bushel, the lowest since 1978—because of what the trade likes to call "plentiful supplies and dwindling demand."

People are starving, and these jokers talk of "dwindling demand."

Business Briefs

East-West Trade

Discuss West German electricity for East

West German electricity supplies to East Germany will be discussed Feb. 12-13, when Bernhard Vogel, the Christian Democratic state governor of Rhineland-Palatinate, meets with East German ruler Erich Honecker. Vogel will also talk to Günter Mittag, Honecker's adviser on economic relations to the West.

According to sources within the Rhineland-Palatinate state government, the electricity would come from conventional, "but also nuclear power plants" in West Germany.

Vogel and Honecker will discuss establishing a sister-city relationship between Trier in the West, home of Karl Marx, and Weimar in the East, home of the German Classics of Schiller, Humboldt, and Goethe.

Foreign Aid

French pledge more aid to Central America

Secretary of State for the French Foreign Ministry, Didier Bariani, arrived in Guatemala City Feb. 8 to attend the Third European Community/Central America ministerial conference. He brought with him a pledge of increased economic aid to Central American nations.

It was the first stop for Bariani on a tour of Guatemala, Honduras, El Salvador, Costa Rica, Nicaragua, and Panama, and completes a first round of diplomatic contacts by the Chirac government with Central and South American nations over the past year. All Ibero-American countries have been contacted except Chile, Paraguay, and Cuba.

Upon his departure from Paris, Bariani declared that his government aims to increase French cooperation with Central American countries—with one exception. On Feb. 17, Bariani will meet with Nicaraguan dictator Daniel Ortega, to inform him that France will reduce its financial support

to that country. Nicaragua has been receiving 70% of France's foreign aid budget.

Foreign Exchange

Accuse U.S. of using dollar for blackmail

Washington is using the collapse in value of the U.S. dollar to blackmail Germany and Japan into destroying their own export industries, according to senior West German banking sources.

The purpose of James Baker's renewed pressure to "talk down the dollar" is to force Germany and Japan to finally agree to "coordinate" monetary and interest rate policy with Washington—i.e., sacrifice themselves to help bail out the U.S. banking system.

"What Baker is doing will speed the process of financial 'globalization,'" one major Frankfurt bank source told *EIR*. "As soon as negotiations for the new Bonn coalition are complete, Germany will agree to Baker's Group of Five call. We have no other choice. We aren't happy about it."

Industry

Chirac calls for 're-industrialization'

French Premier Jacques Chirac went on national television Feb. 8 to declare that a "major re-industrialization program is required for France. The trend of de-industrialization must be stopped."

He called for major efforts to generate productive investment—but gave no precise idea of a pertinent government policy.

The premier also commented on East-West relations: "Until the Soviet leadership shows real willingness to disarm and make disarmament verifiable, there is no reason to take them at their word." The statement was in evident rebuttal of German Foreign Minister Hans-Dietrich Genscher's statement at an economic forum in Davos, Switzerland, that Gorbachov should be "taken at his word."

Chirac's words do not conform to his government's actual economic policy, which if anything, ensures continued "de-industrialization." Like the Reagan and Thatcher governments, Chirac's has succumbed to its own version of the "privatization" schemes pushed by oligarchical financial interests. France is in the process of selling off state-owned enterprises to private interests, and in many cases, the purchasers are notorious "asset-strippers"—Sir Jimmy Goldsmith of the British casino "industry," for example.

Commodities

Too many pigs at Chicago exchange?

On Feb. 6, the Chicago Mercantile Exchange ordered traders to reduce the number of February contracts they hold for pork bellies, from 150 down to 25, because the Mercantile Exchange's Business Conduct Committee "determined that an emergency . . . existed." Spokesmen declined to comment further.

When the exchange opened on Feb. 9, February contracts, the only ones restricted in number, fell by 2¢ a pound. Traders said the action was prompted by a shortage of pork bellies, the basis for bacon.

Traders noted that only 400,000 pounds of pork bellies had been certified for delivery as of Feb. 6, while outstanding contracts called for delivery of 3.5 million pounds during the month. The forced liquidation of contract holdings was designed to prevent a single trader from cornering the market.

In the cattle market, prices continued up because of growing concern about the country's declining domestic beef supply, expected to be down 7% this year.

Poverty

New Los Angeles study of homelessness

On Feb. 8, a new city report on homeless persons in Los Angeles, the nation's sec-

ond-largest city, placed the number of people living on the streets in downtown "Skid Row" at 1,000. But an earlier federal study of the same area found 15,000 homeless.

The new report did not count about 10,000 people who live in the area's 80 single-room occupancy hotels and more than 1,000 who live in missions and shelters. The study was commissioned by the city's Community Redevelopment Agency.

CRA administrator Paul Tuite defended the report, saying that it did not mean to be a comprehensive study of "homelessness," but only of people then actually living on the streets, with no place else to sleep.

He said that since the release of the report, his office has been under criticism by "people implying that we're not going to continue our commitment to the homeless. That's not true."

There are an estimated 33,000 homeless in Los Angeles County as a whole, based on federal estimates in 1984.

The new CRA study says, "There can be no question that a large proportion of the residents of the Skid Row area have no homes in the sense that most Americans conceive of them," but many have places to sleep "in an elemental sense."

Trade

Japan envoy defends import practices

The Japanese ambassador to the United Nations defended his country against complaints that it is basically closed to imports from the United States. He spoke on Feb. 10 to an audience at the University of Texas in Austin.

"My job is to remove misunderstanding," said Kiyooki Kikuchi. "For one thing, the Japanese government does not subsidize its private sector as the U.S. complains they do.

"We are more open than any other country in the world. American politicians tell us to free this or that product but don't expect to pay compensations when asking for concessions."

Kikuchi noted that Japan buys 70% of its beef and 60% of its oranges from the United States.

Warning against the rising wave of support for trade protectionism, Kikuchi told the university audience that the United States benefits from Japanese profits being recycled into the U.S. economy. "I guess U.S. proposals to control trade worries us the most," he said.

Trade War

Pledge 'tough measures' against Japanese

Treasury Secretary James Baker and U.S. Trade Representative Clayton Yeutter promised Congress that the United States was prepared to "get tough" with Japan regarding trade practices in testimony on Capitol Hill Feb. 10.

"I want to emphasize the administration's readiness and willingness to work with you to make the necessary changes in these [export-import] laws," Baker said. "If [the Japanese can't] live up to their commitments, then we are going to have to take some tough action," he told the House Ways and Means Committee.

Baker warned, however, that President Reagan will still fight efforts to impose surcharges on imports. "There is nothing improper about threats of retaliation," he said. "What we must avoid is legislatively mandated retaliation" that would limit the ability of the President or U.S. negotiators to settle trade disputes.

Yeutter told the same panel, "I'm confident we can pass constructive trade legislation this year if we work at it cooperatively."

The basic policy of Eastern Establishment financial interests, reflected in the administration policy, and the screams for trade war in Congress, is to use trade pressures to force Japan to dismantle its industrial economy in the same way "post-industrial" policies have dismantled the U.S. economy—naturally resulting in the present, competitive advantages enjoyed by the Japanese.

Briefly

● **FRENCH BUSINESSMEN** from more than 300 firms and industrial concerns, met in Paris with representatives of Soviet foreign trade organizations on Feb. 5, according to a TASS release.

● **AGRICULTURE** Undersecretary Daniel Amstutz accused the Soviet Union of violating the "Long-Term Grain Agreement" of 1983 by refusing to purchase U.S. corn and soybean meal, at a luncheon sponsored by the Washington Journalism Center Feb. 10.

● **2.5 MILLION** Frenchmen are living below poverty level—1 citizen in every 20. The statistics were released Feb. 10 by the Economic and Social Council, an official government agency.

● **AIRLINE USER FEES** are being "hoarded" in the Aviation Trust Fund by the Reagan administration, to make the federal deficit appear smaller. The money should be spent on air traffic safety, according to industry sources. The fund stands at \$5.6 billion, and will rise to \$12 billion by 1991 given present policies.

● **JESUIT** Michael Novak attacked Ibero-America for complaining about its foreign debt, before an American Enterprise Institute audience Feb. 10. Those governments should "make it easier for poor people to incorporate businesses, like in Hong Kong." He also attacked any "Marshall Plan" proposals for the region.

● **TRILATERAL** Commission drug banks are reportedly working to split Cameroon in Central Africa out of the French franc currency zone. The maneuver is reportedly being run by Barclays Bank, David Rockefeller's Chase Manhattan, and the Bank of Boston. Cameroon is one of the most stable economies in the region, with significant oil and coffee earnings.

The great projects in mining and industry

Part 22

Ibero-American integration

The great mineral wealth of Ibero-America must be converted into great heavy industry. That is the only way that the continent can overcome its historical underdevelopment in this indispensable sector for economic independence.

This installment opens Chapter 7 of EIR's exclusive English-language serialization of the Schiller Institute's book, *Ibero-American Integration: 100 Million New Jobs by the Year 2000!* The next two installments will deal with heavy industry and industrial concentration zones.

The book, published in fall 1986 in Spanish, was written by an international team of experts elaborating Lyndon LaRouche's proposal to free the continent of economic dependency and spark a worldwide economic recovery, "Operation Juárez."

Numbering of the figures, tables, and maps follows that of the book.



Ibero-America's construction of the great infrastructure projects outlined in the preceding chapter will be the engine, the driver, for the greatest industrial boom the region has ever seen. To service the enormous requirements for construction materials, heavy industry, and capital goods, a dramatic leap in industrial output will be required. This will have to be done on the basis of continentally coordinated investment strategies, and Common Market tariff agreements designed to protect the new infant industries until they get off the ground.

The industrial strategy will also have to take advantage of the multiplier effect that accompanies successful development. This means that every dollar invested generates tens of dollars worth of orders in a dozen other industries, as, for example, purchases of locomotives in turn generate a demand for engines, chassis, bodies, instruments, and so on; which in turn create demand for machine tools and the products of foundries, stamping plants, and other types of plants; which in turn generate demand for steel, aluminum, and other types of metals. To fully benefit from such a potential multiplier, it will be necessary for Ibero-America to develop vertically integrated industries.

This has traditionally been one of the weakest features of the Ibero-American mining and industrial sectors. Much is mined, for example, but very little mineral processing and elaboration occurs in Ibero-America, and therefore, the value-added component is very low, as we can see in the prices per ton of various minerals and their respective finished metals, shown in **Figure 7-1**.

Thus, Ibero-America exports under-priced metallic minerals, or sometimes refined or semi-refined metals, and im-

ports expensive finished products containing the metal, or at best imports the parts for final assembly plants. Omitted have been the intermediate stages, the capital goods and heavy industry manufactures, which are the most undeveloped industries on the continent. This explains the dangerous imbalance within the manufacturing sector between capital goods, intermediate goods, and consumer goods.

Rather than protecting capital goods production, the ECLA-influenced strategy across Ibero-America has been to protect consumer goods industries if anything. Hence we see the spectacle of Peru under Belaúnde Terry receiving loans for investment projects, in which the entirety of the investment goods were imported, even when Peruvian industry could have produced a portion of these goods. In Colombia, the tariff structure heavily protects the manufacture of consumer durables such as refrigerators, but discriminates against the manufacture of capital goods to produce parts for the refrigerators. Brazil exports steel, even though its consumption of steel is a small fraction of that needed for its own development, and it imports capital goods made from steel that it would be capable of manufacturing domestically.

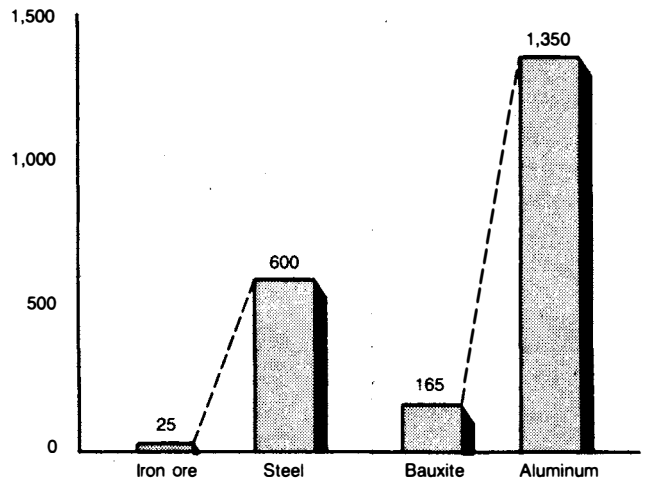
The result has been a dwarfed industrial goods sector, as **Table 7-1** indicates, with no prospects for self-sustaining growth.

The practice of postwar Japan under the guidance of its Ministry of International Trade and Industry (MITI) shows a contrary approach which is far more desirable as a model for the Ibero-American Common Market. MITI used tariff policy, interest rates, and other incentives to foster one industry after another in the capital goods and heavy industry sectors, beginning with those the country was most capable of developing, but moving on quickly to ever more sophisticated

FIGURE 7-1

Average prices for minerals and metals 1984

(dollars per ton)



Source: U.S. Bureau of Mines

industries as expertise was gained. As soon as an industry came into being, it was pushed to expand to meet all national investment needs, in order to replace imports. This, too, could perhaps be called an "import substitution" policy, but it is focused on replacing the import of *capital goods* with domestic production at the most rapid possible rate. Combined with appropriate credit policies and other government guidance and support, this policy served to turn a devastated

TABLE 7-1

Per capita production of industrial products in various countries 1980

(per 1,000 inhabitants)

	Steel (tons)	Fertilizers (tons)	Newsprint (tons)	Commercial vehicles* (units)	Refrigerators (units)
Argentina	95.1	1.0	3.5	2.3	9.2
Brazil	126.5	16.6	0.9	4.5	13.9
Colombia	16.3	3.4	n.a.	0.4	8.0
Chile	63.4	11.2	11.8	0.4	8.6
Mexico	102.6	13.5	1.0	1.5	8.2
Peru	25.8	4.5	n.a.	0.4	4.4
Venezuela	126.5	10.8	n.a.	4.4	n.a.
Japan	951.3	18.8	21.9	33.4	37.1
West Germany	722.2	81.0	10.0	5.2	48.9
United States	447.9	99.4	18.1	7.2	30.1

n.a. = not available

* Includes production and assembly

Sources: ECLA, United Nations.

postwar Japan into the number-two capitalist superpower in less than 30 years.

There are some bright spots in the Ibero-American economy where certain heavy industries have achieved some level of development. Although the per capita production of steel is eight times below consumption in the developed countries, Mexico and Brazil have gained some experience in developing sizable new steel plants over the last 10 years, valuable experience needed for the rapid expansion of these industries in the future. The cement industry also has a good start toward the rate of expansion that will be needed. And Brazil's capital goods industry, and to a lesser extent Argentina's, while still quite small, have achieved medium levels of sophistication in machine tool production, and represent a precious resource

toward the effort that will be required in this branch of industry.

Thus, there are two principal features to our industrial policy for Ibero-America: 1) heavy industry must be emphasized, rather than low value-added extractive activities; and 2) in-depth capital-goods capabilities must be created. The steel and metallurgical industries, machinery fabrication, machine tools, power generation equipment, transport equipment, and instruments, are what must be emphasized.

We categorically reject ECLA's failed strategy of import substitution of consumer goods. We emphatically dismiss the kooky idea of creating a "post-industrial information society," in which computers (a necessary tool, to be sure) are proposed to substitute for the growth of heavy industry. And

TABLE 7-2
Production and reserves of metallic minerals in Ibero-America*

	Production 1983	% of world total	Reserves	% of world total	Principal producers
Basic minerals:	Thousands of tons		Millions of tons		
Iron ore	142,300	26.8	52,000†	46.3	Bolivia, Brazil Venezuela
Nickel	93	13.7	20.3	38.5	Cuba, Brazil
Copper	1,822	22.5	111	32.6	Chile, Peru
Bauxite	23,378	n.a.	5,800	27.6	Brazil, Caribbean
Titanium	14	1.5	34.5	20.0	Brazil
Zinc	987	15.7	20	11.8	Mexico, Peru
Tin	40	19.0	0.3	8.5	Bolivia, Brazil
Lead	494	14.7	6	6.3	Mexico, Peru
Manganese	1,046	13.1	30.6‡	3.4	Bolivia, Brazil
Strategic minerals:	Tons		Thousands of tons		
Columbium	6,977	73.1	3,221	78.9	Brazil
Lithium	1,279	15.2	1,270	66.7	Chile, Brazil
Rhenium	4.8	31.5	1.4	45.5	Chile, Peru
Beryllium	1,250	18.3	165	43.2	Brazil
Tellurium	125	23.6	7,280	33.1	Chile, Peru
Selenium	375	19.9	25	31.3	Chile, Mexico
Silver§	144.2	36.7	2,290	29.2	Mexico, Peru
Cobalt	1,650	7.1	1,048	28.9	Cuba
Molybdenum	23.8	36.7	1,361	25.0	Chile, Peru
Cadmium	2,503	12.7	75	13.5	Mexico, Peru
Antimony	19,053	39.9	554	13.3	Bolivia, Mexico
Thallium	1.9	14.3	0.05	12.0	

*Quantities measured in metallic content

†Includes estimates of the reserves of Mutúm in Bolivia and of Carajás in Brazil

‡Manganese reserves could be considerably larger, given the undetermined quantities in the reserves of Mutúm

§Millions of troy ounces

Source: U.S. Bureau of Mines

we totally reject the neo-colonialist scheme of identifying Ibero-America's considerable mineral wealth in order to base development primarily on that.

Rather, the importance of its mineral wealth for Ibero-America lies primarily in the independence from foreign supply that possession of this wealth permits. Since, unlike Japan, Ibero-America represents a region large enough in land area and population to be substantially self-sufficient, developing its mineral wealth, primarily focused on internal requirements, not export, should be a natural extension of the overall industrial development program.

Mining

Due to the legacy of colonial trade relations with the industrial countries, mining is the relatively most well-developed industry in Ibero-America. Gold and silver, of course, were the area's first exports, and by the 19th and 20th centuries, mineral development became the primary object of foreign investment in the continent. They are still important products today. The copper of Chile and Peru, the tin of Bolivia, the iron ore of Brazil, and a host of other minerals, represent a very important element of the continent's GNP and exports. Yet very little of these minerals is actually refined into final metallic form in Ibero-America, despite the fact that the continent has abundant and cheap energy sources—a major component in all metals refining.

Table 7-2 shows the production in 1982 of all the important minerals of the continent, grouped by basic minerals and strategic minerals. The second column shows the percentage of total world production accounted for by this output. As can be seen, the continent accounts for a very considerable share of such basic minerals as iron ore, nickel, copper, zinc, and tin. It also accounts for large percentages of production of several of the strategic minerals.

Table 7-2 also shows the estimated reserves, and the percentage of world total, of the same minerals. It can be seen from this table that the continent has an even greater share of reserves than of production: 49% of world iron ore reserves, 39% of nickel, 33% of copper, and 28% of bauxite. As for the strategic minerals, the table shows that it has more than 40% of four of them, and more than 25% of five others.

Map 7-1 shows the locations of the major deposits of the basic minerals. As can be seen, Brazil, Chile, Bolivia, Peru, and Mexico are the five major mining countries on the continent. However, the already identified resources do not represent the entirety of the resources that exist. One of the first priorities of an integrated development program is to employ all the most modern means of locating new deposits, including satellite reconnaissance, to take an inventory of the true resources of the continent, as the basis for rational resource-development planning for the next 30 years. It is certain that major discoveries are yet to be made in almost all countries, and there are vast regions, especially in the Andes and the Amazon basin, that have hardly been explored.

The resource development policy must be to focus mining

investment on the needs of the continent's development program, and not primarily for export. From this standpoint, the continent already produces more than enough copper, tin, and iron ore for its present and immediate future needs, whereas its bauxite production is relatively much lower. While development of these minerals must not be stopped, it should be phased according to the pace of requirements for Ibero-American industry.

Second, the policy must in general be to develop first those resources that can be integrated into broader development projects. The Gran Carajás project of Brazil—as originally conceived by the Companhia Vale do Rio Doce, as opposed to its degradation by former Planning Minister Delfim Netto's monetarist crowd—is a model for such development. In the original concept, extraction of iron and bauxite ore were linked with the overall development of an area larger than all of Italy, with refining industries, steel mills, farming, cattle, forestry development, and other industries. When proximity to power sources and land suitable for habitation permit, metal refineries should be located near the sources of ore, such that mining projects become vehicles to open up new regions for settlement in the interior.

Third, Ibero-America is rich in the strategic minerals, but they are virtually not refined at all on the continent. The advance of technology in metallurgy, ceramics, electronics,

MAP 7-1

Reserves of the principal metallic minerals in Ibero-America



lasers, and other high technology areas is such that new important uses for the rarer metals are being discovered all the time. **Table 7-3** gives some of the more important high technology uses for most of the minerals found in Ibero-America. The list is not a complete list of all important uses,

TABLE 7-3
Applications of strategic minerals in areas of high technology

alumina	ceramics, refractories, abrasive for precision grinding
aluminum	high voltage electrical transmission
antimony	batteries, electrical transmission equipment
bauxite	petroleum drilling equipment, abrasive
beryllium	computers, heat shields for aerospace equipment, ceramics for electronic components, material test reactors
cadmium	anticorrosive coatings for aerospace equipment, electronics, electrical industry, batteries, television sets
cobalt	high temperature resistant materials for airplane turbines, nuclear reactors, gas turbines, aerospace equipment, abrasion resistant tools, drills
columbium	superalloys for gas turbines, nuclear equipment, airplane turbines, superconductors, stainless steel, magnetic resonance equipment for nuclear applications
copper	special alloys in the electronic industry, energy exploration equipment, aerospace uses
lead	automotive batteries and electrical industry uses
lithium	foundry and metal refining processes, batteries for computer backup, heart pacemakers, and intercontinental missiles, liquid lithium in nuclear reactors
manganese	fabrication of carbon and special alloy steels
molybdenum	special alloys for high temperature equipment, refractory materials for electrical and electronics industries, nuclear reactors, lubricants, catalysts
nickel	alloys for turbines, heat exchangers, nuclear reactors, ships, airplanes
rhenium	alloys for measuring instruments, electromagnets and semiconductors
selenium	ceramics, superconductors, photocopiers
silver	photographic and photocopying equipment, catalysts in petrochemical industry, high quality mirrors
tellurium	alloy of steel to improve machineability, numerous chemical industry uses, infrared sensing equipment
thallium	electronic applications, semiconductors, radiation detection equipment, electromagnetic transmission
tin	engine bearings, electronic components, solders for electronic components, computers, and military vehicles
titanium	aerospace industry, guided missiles, airplanes, turbines for airplanes, electrical plants
zinc	construction of industrial plants, bridges, roads, buildings

as most of the items listed are also employed in many other branches of industry, but only those that pertain directly to capital goods, aerospace, and high technology. Thus, particular emphasis should be put on developing these minerals, as their use both on the continent and abroad can be expected to grow much more rapidly than most of the basic minerals.

One bright spot on the strategic metals front is Brazil, in particular its titanium processing facilities near Minas Gerais, which are utilizing Japan's most advanced titanium processing facilities, modified to Brazil's requirements. Experts estimate that in just a few years, Brazil could become the world's leading titanium metal producer. Titanium is one of the most critical metals in the world at present, given its importance in the aerospace industry and other applications requiring light weight and strength.

Fourth, there are several minerals which are relatively undeveloped at present which warrant specific attention. In particular, Brazil has large reserves of titanium ore, which are hardly developed. Aluminum is also very important, and has been significantly expanded in recent years. But the continent still produces much more bauxite than it refines. There are several large aluminum complexes scheduled for Gran Carajás which should be completed, but many more will be needed.

In general, the growth of mineral production can be somewhat slower than for other parts of the economy. Using the consumption of the major minerals in the United States economy as a rough guide and converting this to a per capita basis and applying it to the estimated Ibero-American population for 2015, copper ore production will need to rise only 4-5% per annum, antimony 1.5-3%, tin and nickel 5-6%, and lead 7-8%. Refined aluminum must rise by 9-10%, but bauxite production can rise more slowly.

While exports will not be eliminated, investments will not be made specifically to produce for export. In the cases of iron and steel, and aluminum, it will undoubtedly be the case that the continent will not have any excess of either ore or metal to export within a few years, as the challenge will be to build refining plants fast enough to meet domestic demand. Some of the other minerals may continue to be exported, such as copper, but they should be exported as refined metals when possible, given the higher value-added than for ores.

Map 7-2 shows Ibero-America's major deposits of petroleum, natural gas, and coal. After the Middle East and the Soviet Union, Mexico has the largest proven oil reserves in the world, almost double those of the United States, with at least 48 billion barrels. Venezuela has at least 25 billion barrels, and the official reserves of the entirety of Ibero-America come to about 90 billion barrels. Ibero-America accounts for close to 20% of the world's prospective area of petroleum and natural gas (sedimentary basins), but comparatively little exploration has been carried out. Even though such areas are 53% larger than those in the United States, and the yield per foot drilled nearly nine times higher, only some 100,000

wells, almost exclusively in Mexico and Venezuela, had been drilled in the region by the end of the last decade. This compares to 2.5 million in the United States. Official estimates of recoverable oil and natural gas from undiscovered deposits in the region range from 6 to 15 times current reserves.

Between the Mexican oil company, Pemex, Petrobras of Brazil, and the Venezuelan national oil company, PDVSA, the continent has an invaluable source of expertise, which will be necessary to confront the monopolistic practices of the oil multinationals.

Ibero-America also possesses sizable deposits of natural gas in Argentina, Mexico, Bolivia, and Venezuela.

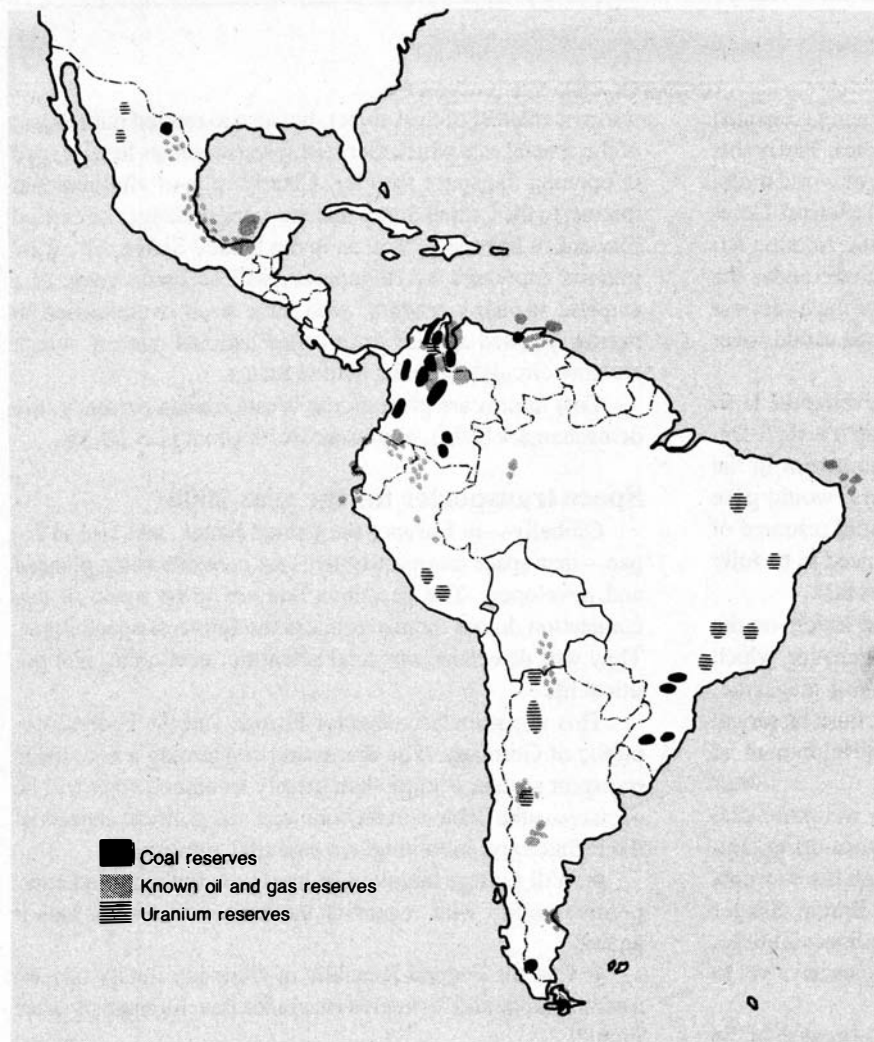
In terms of energy minerals, the present bottleneck is coal, especially coking coal for steel and other industrial processes, which presently has to be imported. The most important deposit being exploited right now, with over 1

billion tons of surface mineable coal, is located on the Guajira Peninsula of Colombia, and is being developed into a mine that can produce 25 million tons a year—El Cerrejón. Colombia also has over 25 billion tons of coal reserves, most of it located in the Andes mountains and along the edge of the jungle east of the Andes. Many of these coal deposits in the mountains are of very high grade that can be used for coking, and the deposits along the jungle edge are very large.

Brazil has over 14 billion tons of coal reserves and Venezuela has large coal deposits in Zulia for which there have been plans for exploitation as part of a large steel complex for more than 20 years. Many of the geological formations in South America are similar to those in North America, which suggests that there may be large undiscovered accumulations of coal in the interior of the continent, particularly in Bolivia, western Brazil, and eastern Colombia, in addition to the deposits already identified in these and other countries.

MAP 7-2

Coal, oil, gas, and uranium reserves in Ibero-America



A space transporter for the year 2000

Ernst Högenauer, vice president of the MBB Space group in Munich, reports on the German space program and the key role of Eugen Sänger, father of the Space Shuttle.

There is presently, a competitive atmosphere being generated between European nations and the United States. Partly this is the result of the increasingly depressed state of world trade, partly a deliberate plot by those—like the Trilateral Commission—who would see the destruction of the Atlantic Alliance as a desirable step toward placing Europe under the domination of the Soviet Union. One aspect of the trade-war scenario, is setting the United States and Europe at odds over the future of the aerospace industry.

Clearly, adoption of a joint program to develop the U.S. Strategic Defense Initiative and the European Tactical Defense Initiative, combined with a joint commitment to the colonization of Mars within the next 40 years, would pose the opposite problem. Every potential industrial resource of Europe, the United States, and Japan would need to be fully utilized and more, to meet the demands of this task.

In this issue we offer the translation of an article on the German space program, by engineer Ernst Högenauer, which appeared first in the German edition of *Fusion* magazine, December 1986. This will be followed by a more historical treatment of the German program for the development of reusable space vehicles.

While the name of Wernher von Braun is well known to Americans, another pioneer of the German space effort, Eugen Sänger, is a more obscure figure, although his concepts were at least as advanced as those of von Braun. Sänger should rightly be considered the father of the Space Shuttle. His design concepts for advanced space vehicles have yet to be fully realized to this day.

We have translated these articles, not only because of the

intrinsic interest of the subject, but also to remind our readers of the crucial role which German space scientists have played in opening the space frontier. Clearly, it is of vital national interest to the United States that the work of Sänger be carried forward in Europe as well as in the United States. The frustrations expressed by Högenauer, will no doubt come as a surprise to many readers, who have been overexposed to narrowly posed appeals to so-called national interest, which are now circulating in the United States.

Cost figures are given in the West German currency, the deutschmark (DM), at present worth about U.S.\$0.55.

Space transporter for the year 2000

Globally—in Europe, the United States, and also in Japan—new space transport systems are currently being planned and developed. The decisions that are to be made in this connection do not merely concern the future of space flight. They will determine our total scientific, economic, and political life.

This is particularly true for Europe and the Federal Republic of Germany. The discussion concerning a new space transport system is more than merely technical; what will be decisive is the debate on the financial and political aspects of the technology, involving two essential questions:

- Will Europe maintain its hard-won but qualified competitive ability with regard to the United States, or lose it again?
- Can the Federal Republic of Germany finally take on a contributory and formative role in the development of space flight?



The Space Shuttle lifts off from Kennedy Space Center on April 12, 1981. Without the work of German scientist Eugen Sänger up through 1942, it wouldn't have happened.

Marsha Freeman

The discussion that was carried on this year in the Federal Republic concerning the French project *Hermes* and German participation in that project, brought a bitter truth to light: For some time, no resolute initiatives in astronautics have come from the Federal Republic. All important new developments such as *Ariane* or *Hermes* were initiated by the French; then, last year, as the British brought their HOTOL project into the discussion as the possible successor for *Hermes*, it became quite clear that German space policy has arrived at a crossroads: Either continue with deficient initiative and with irresoluteness—with the consequence that German astronautical industry will fall, finally, into the role of component supplier to the major projects—or the Federal Republic will make a contribution to the further course of European space flight to a degree that corresponds to its scientific and technological potential and, not least, to its large financial contribution to European space flight.

The space transporter first proposed by Sänger, from the German side, as the future European space transport system, would represent the branch toward the second possibility, and could thus become an essential driver for the industrial future of the Federal Republic. Here lies the far-reaching significance of this project; its significance for European space flight becomes clear if we take a look at the future.

European space flight in the year 2000

The masses of payload that will be transported into space will considerably increase: Satellites, platforms, manned and unmanned space stations must be transported and maintained, and an "orbital transfer" must be established between the various orbits. The European Space Flight Agency, ESA, estimates that the European payload volume will lie between 50 and 100 tons in 1995. That is considerably more than

today, though indeed quite small in comparison with the Soviet Union: Right now, the Soviets transport 300 tons of payload into space each year.

If we at first leave new, progressive transport systems out of consideration, then we will have the following means available at the end of the 1990s in order to be able to manage this steadily increasing mass of payload:

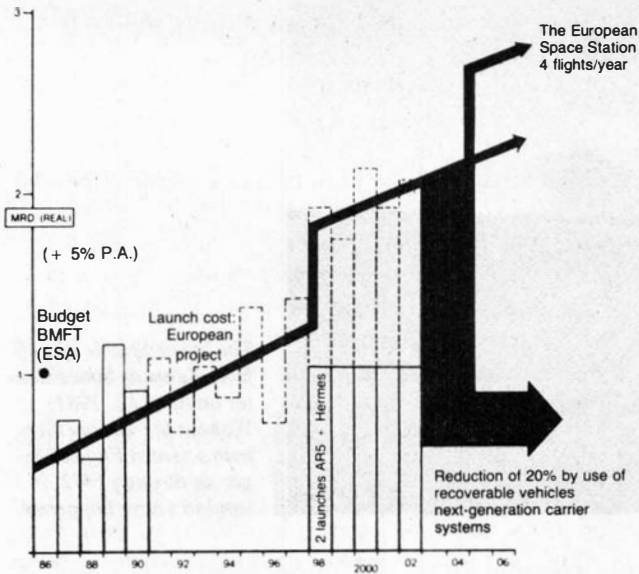
- 1) Multi-stage launcher rockets of the *Ariane 4* and *Ariane 5* type, and
- 2) Multi-stage carrier rockets with returnable, reusable upper stages of the *Hermes* type.

From the point of view of available capacity, these systems may be sufficient; however, it is already foreseeable that the current costs of these transport systems will lead to a considerable financial burden. If the total European transport costs until the year 2020 are forecast, it must be noted that these will rise explosively: 11.5 billion DM will be expended from 1987 to 1995 for *Ariane 4* launches, and between 27 and 35 billion DM for launches of *Ariane 5* from 1995 to 2005, while the launches of *Ariane-5/Hermes* from 2005 to 2020 alone will amount to 69 to 115 billion!

Figure 1, which is based on an ESA estimate, underlines this trend. By 1992, launch costs of all programs will be as high as the total contribution that the Federal Republic makes to the ESA, and, to an increasing degree, the ESA budget will have to be employed for purely operational costs. The results are foreseeable: The high launch costs will block the development of new payloads, public contributions will be cut, and private projects will simply cease.

In light of the cost situation forecast, it is obvious that astronautical activities as planned can be expanded and to an increasing degree commercialized only by means of space transport systems that permit a drastic reduction of transport

FIGURE 1
Forecast of launch costs



Graphic representation of an evaluation carried out by the ESA of launch costs that will be expended in the coming decades for the ESA's scientific programs (including operation of the space station).

costs. We expect this crucial cost reduction from recoverable technology.

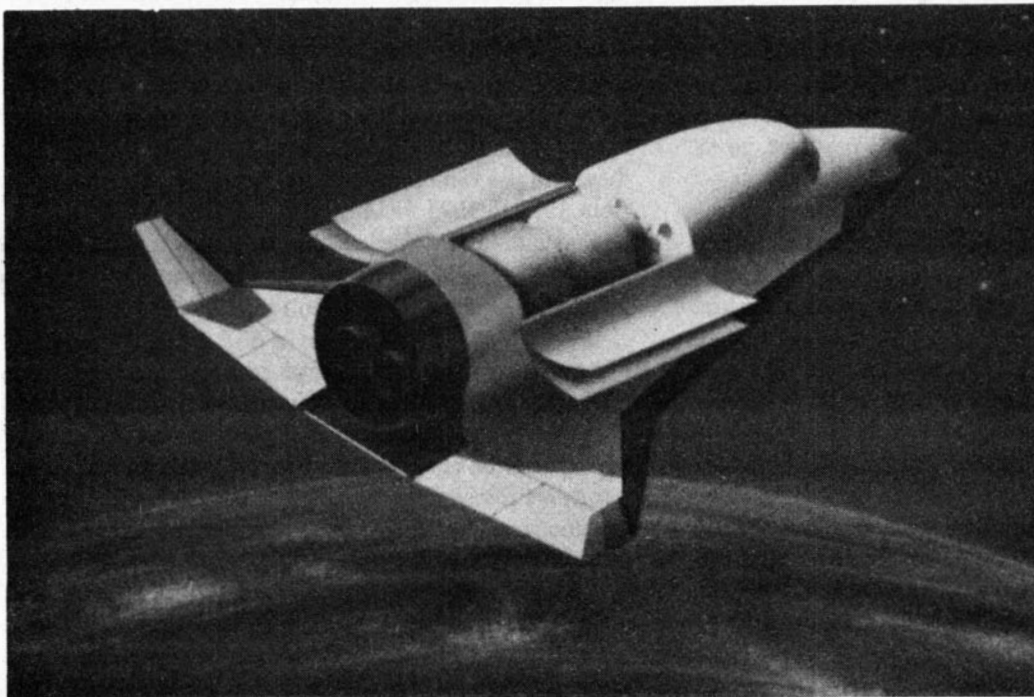
Cost reduction through recoverable spacecraft

The work on new space transport systems that is being undertaken today in the United States, Europe, and Japan, shows clearly that the developmental trend away from the "expendable rocket," which today continues to be definitive, goes, by way of the partially reusable carrier, to the fully reusable.

At least a beginning for the techniques of recoverable technology will be realized in the European space glider *Hermes* (see Figure 2), which derives from a French initiative. *Hermes* stands in a close connection with the planned European space station. Its task will be to transport men and materials for the station into space, and then to serve as the "umbilical cord" for the space station. According to existing designs, the transport system is to function as follows:

The glider will fly into space on the back of *Ariane 5* with a launch weight of 17-20 tons, and can carry in its cargo space, which measures 3 × 5 meters, 4.5 tons into a low-earth orbit. *Hermes* flies with two crew members and can, as a personnel shuttle, carry four additional passengers. The space glider is related to the Space Shuttle Orbiter; both are launched vertically, both return to the Earth gliding aerodynamically and land horizontally. The essential difference: *Hermes* has only 4.5 tons of fuel and a small engine on board,

FIGURE 2
The space glider *Hermes*



Hermes means for Europe the entry into manned space flight and thus also into recoverable technology.

and functions essentially as a passive return system. The Shuttle Orbiter, on the other hand, with its engines and the large liquid-fuel tank, is the upper stage of a two-stage system.

For a functional *Hermes* system, a functional infrastructure must be built up, in addition to the development of the space glider. This system consists essentially of the following components:

- Integration center for the space glider;
- Training center for the crew;
- Control center for the total mission with the sub-tasks of launch and landing control and orbital control;
- Landing orbits;
- Communication system with a data-relay satellite at the apex and a global network of surface stations.

With *Hermes*, many trend-setting techniques will be developed, tested, and thus made available to Europe:

- 1) Reentry technique;
- 2) Hybrid flight control and positional control for navigation inside and outside the atmosphere;
- 3) New materials;
- 4) Manned space flight.

Hermes thus signifies a step in the right technical direction; of course, the operation of the entire carrier system will be extremely cost intensive. The cost-lowering tendency that is hoped for from recoverable technology will be more than offset in the case of *Hermes* by three factors. These factors are the decisive causes for the explosion of launch costs referred to above.

1) The glider will be shot into space by *Ariane 5*, and thus continue to be supported by expendable rocket technique. Complicated and expensive technology will be produced, integrated, and subjected to expensive tests, only to be lost after a single use. According to present estimates, a launch of the *Ariane 5* will cost 230 million DM.

2) The combination of *Ariane 5* and *Hermes* reduces transport capacity from 10 to 4.5 tons. *Hermes* functions like a "dead payload," and thus increase the specific launch costs.

3) Only through additional infrastructural measures, which were referred to above, can the mission of the manned space glider be successful. This also costs additional money.

Thus, *Hermes* will not be able to solve the definitive problem for the future of European astronautics—inexpensive access to space—but will, on the contrary, intensify that problem. Yet, it must not be dispensed with—it is necessary as a technologically intermediate step, as the transition to European transport systems of the third generation, which will replace *Hermes* at the beginning of the next century.

A third-generation space transporter

The future transporter must allow sufficient latitude for the development of scientific and commercial payloads and, additionally, be able to stand up against its competition in a world market, which will further expand. The following set of priorities specifies the requirements that are to be placed

on the European third-generation space transport system:

1) The specific payload costs for the transport of men and materials into space shall be at most 20% of the costs of *Ariane* and *Hermes*. This corresponds approximately to the value for which the United States is striving with its future carriers.

2) Development costs must be as low as possible; available and tested technology, at least at the beginning, should be relied on;

3) Reliability and safety of the carrier system must be comparable to that of passenger planes;

4) No policy decision to pursue exclusively manned or exclusively unmanned space flight is to be made. The principle should be, "As much unmanned space flight as possible, as much manned flight as necessary";

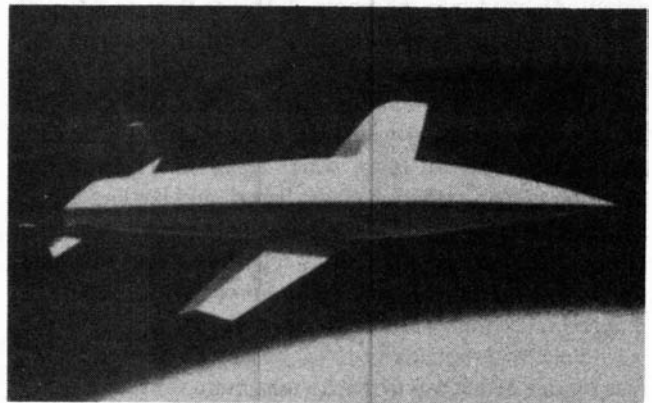
5) First choice for launch and landing sites are major European airports. The geographical connection to the equator for the beginning and end of missions should be eliminated.

Many technological and conceptual studies have been undertaken since the beginnings of space flight in order to realize the mentioned requirements, with the emphasis on the key component, the engine. Various initial solutions with one- or multi-stage carriers are conceivable; common to all the proposals is, however, the designation of the drive: In a substantial part of the atmosphere, an air-breathing engine will be employed for acceleration into the hypersonic range; beyond the atmosphere, the carrier will be carried into circumterrestrial orbit by means of a rocket engine.

Eugen Sänger: father of spacecraft

Reusable, winged spacecraft first came into consideration in Germany more than 40 years ago at Peenemünde, begin-

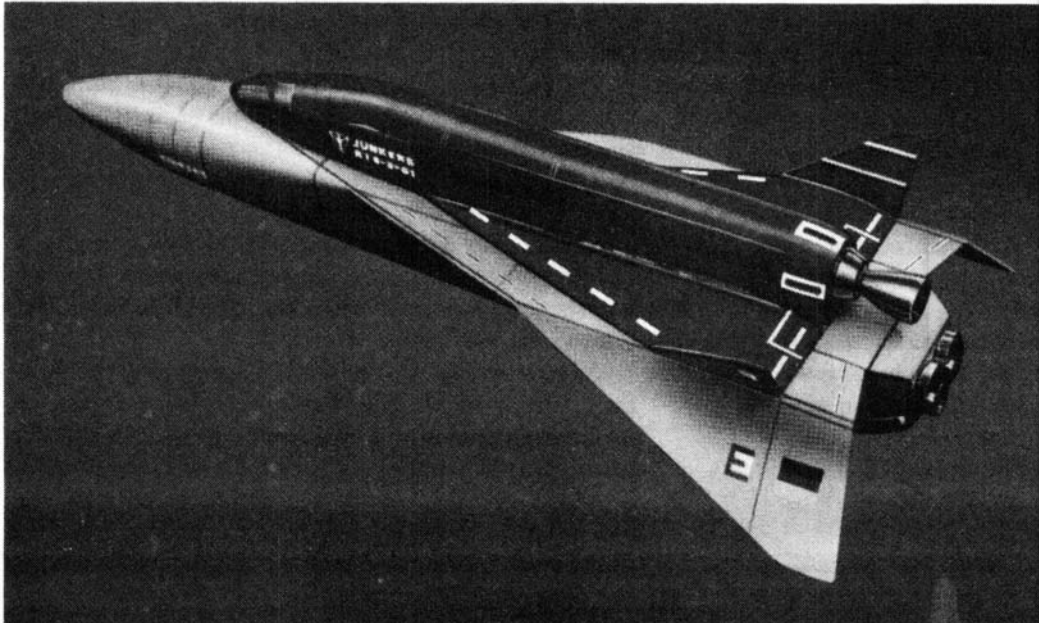
FIGURE 3
Sänger's rocket aircraft



In 1942, Eugen Sänger conceived the world's first rocket aircraft, a one-stage vehicle that can be considered the "primordial ancestor" of all winged spacecraft.

FIGURE 4

Sänger I: space transporter out of the 1960s



In the 1960s, a working group of the ERNO, Junkers, and Dornier firms conceived a completely reusable spacecraft. Eugen Sänger inspired this project, which, however, remained a study on paper. The results of the work were placed at the disposal of NASA and influenced its research on the Space Shuttle.

ning with Project A9, a liquid-fuel rocket with airfoil wings. However, the aeronautical pioneer Eugen Sänger has to be considered the authentic father of space aircraft; he constantly advocated the conception that the way into outer space should lead through the further development of the aircraft.

This idea is completely obvious, since the aircraft “uses” the atmosphere that we must cross on the way to space, while conventional ballistic rockets work *against* the atmosphere: They carry with them—at the cost of payload—large amounts of oxygen that could be taken from the surrounding atmosphere; they are braked by the atmosphere rather than using its lift; and, finally, the expensive, spent rocket stages are simply dropped into the ocean, whereas they could, with wings, return to the Earth.

Sänger designated the era of ballistic rockets as the “primitive condition” of astronautics, and constantly emphasized the advantages of the winged route into space: full reusability and a better payload ratio, which leads to a considerable lowering of transportation costs; launch and landing at normal airports, which makes the construction and operation of expensive rocket launching sites superfluous and which additionally—a special advantage for Europe—makes possible manned space flight from European soil.

Sänger had, already in 1942, conceived a space aircraft (see **Figure 3**) that was to reach a maximum velocity of 5,000 m/s with a payload of 1 ton. A horizontal launch was intended using a rocket sled that would accelerate the aircraft to 500 m/s. Subsequently, the glider would ascend to an altitude of 100 km, and then, exploiting the atmosphere in a “jump

flight” (similar to that of a flat stone that skips along the surface of water), would circle once around the Earth. This aircraft, of course, remained a study on paper, yet it was the first one-stage, reusable space transporter of astronautics and thus, conceptually, the primordial ancestor of all winged spacecraft either now existing (such as the American Shuttle Orbiter) or planned.

As a continuation of this fundamental work, Walter Dornberger, who had previously directed the work at Peenemünde, conceived a two-stage rocket aircraft in the United States in the 1950s. The first stage had an air-breathing engine; the supersonic glider was designed for velocities from Mach 10 to Mach 15 and a range of 15,000 km. Numerous further plans for two-way technology were worked up in the following period by American rocket firms and, in part, also tested.

In the 1960s, German firms also began to occupy themselves with this kind of project—as a result of Eugen Sänger’s initiative. He viewed the winged space transporter as a great opportunity for Germany and Europe to gain ground on the already established space powers. In 1964, the firms ERNO and Nord Aviation projected a two-stage winged space transporter whose first stage was to be driven by combined ramjet drives with 72 tons of thrust, while the second stage was provided with four rocket engines, each with 35 tons thrust. With a launch weight of 300 tons, the 3-ton payload was to be carried into a circumterrestrial orbit at an altitude of 300 km. The stage separation was planned to take place at Mach 7 at an altitude of 35 km. Further plans at this time stemmed from the firms Junker, Dornier, and ERNO, which

were concerned with two- and multi-stage reusable transport systems. **Figure 4** shows one result of these efforts, a supersonic aircraft with rocket engine as the first stage, from which a rocket craft was to carry the payload into orbit.

Contemporary projects

None of these projects advanced beyond the stage of hopeful formulations on paper. In the 1940s, realization was not possible given the technical possibilities. Twenty years later, a breakthrough did seem near with the development of reusable space transporters, since studies were worked out conceptually on a broad basis in the United States as well as Europe, but then the Saturn/Apollo Program channeled all efforts into the development of more powerful multi-stage expendable rockets. Today, on the other hand, 20 more years later, the time seems ripe for the realization of reusable technology with spacecraft, since the technological, financial, and political preconditions are fulfilled.

For quite some time now, new concepts for future generations of the space transporter have been developed and presented in the United States and Great Britain. Both nations are moving away from the multi-stage principle, and propose single-stage systems in which personnel and payloads can be taken into low-earth orbit. These systems cover, therefore, the entire range of velocities between Mach 0 and Mach 25, with a still-to-be-conceptualized combination engine.

The American project NASP (National Aerospace Plane) and the British project HOTOL (Horizontal Take-Off and Landing) are currently being investigated for technical feasibility, using funds from national astronomical budgets. Project NASP is receiving an essential stimulus from the military, in particular from DARPA (Defense Advanced Research Projects Agency), which is especially pushing the engine technology.

The most expensive development work on NASP is thus to be done in the area of the engine. A combination engine system is necessitated to cover the broad Mach range. In the lower velocity range to Mach 5, turbo engines or subsonic jet propulsion engines are necessary, following which a different engine principle can and must be employed: *Scramjet* (Supersonic Combustion Ramjet) or a combination of Scramjet and Scramrocket.

Air is not, as in a ramjet, decelerated to the subsonic range and compressed for combustion of liquid hydrogen; rather, the hydrogen is combusted in a less hot supersonic flow, which drastically increases the effectiveness of the engine. However simple this may sound, considerable problems are entailed.

The greatest publicity effect was achieved by the British with their conception of HOTOL, an extremely ambitious technological project that is no longer seen by the British as an alternative to *Hermes*, but rather as a possible successor.

HOTOL, like NASP, is a one-stage, completely reusable transport system that is launched from and lands at a normal taxi strip. The vessel sits at launch on a wheeled subsection

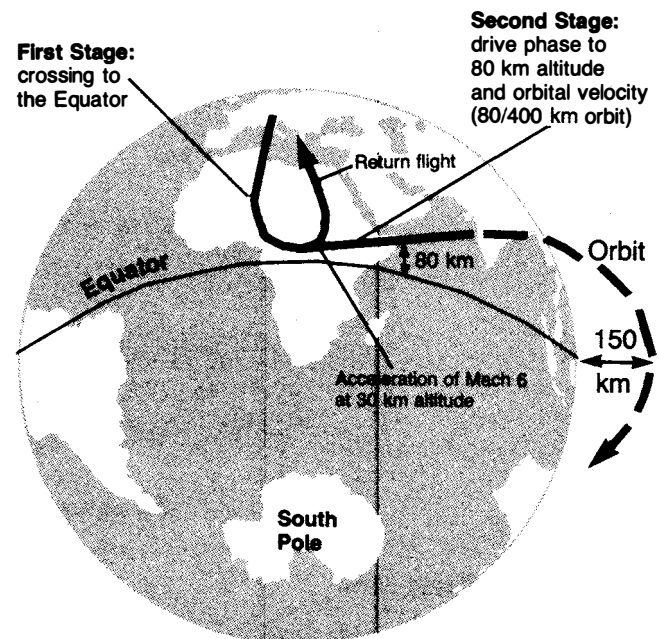
that accelerates it to an initial velocity of 500 km/h before release. There is to be a manned and unmanned version of the transporter, with payload capacity of 7 tons.

The magic word with HOTOL is LACE—Liquid Air Cycle Engine. With this type of engine, the breathed-in air is so cooled in a heat exchanger by means of hydrogen that a drastic volume reduction is achieved. The cooled air is then pumped into the rocket's combustion chamber and combusted with the hydrogen. For the launch phase and transatmospheric flight, the transporter has liquid oxygen on board, for which air is substituted in the range of Mach 5 to Mach 7 at altitudes of 26 to 32 km. Because of the advantages of this weight-saving substitution, an extremely light construction, and aerodynamic optimization of hypersonic flight, the engineers responsible expect a payload gain of 3.5%, that is, 7 tons of payload given a 200-ton launch weight.

Project Sänger

In 1984, Messerschmitt-Bölkow-Blohm, Inc. again began work—on its own initiative and with its own funds—on winged and reusable spacecraft. These investigations led to a German space transport concept that was presented to the ESA board at the beginning of 1986. The concept was of a two-stage, completely reusable air- and spacecraft that, in connection with the great German astronomical tradition,

FIGURE 5
Sänger mission profile



Launch from a European airport; flight to the equator; separation there of the second stage, which flies into space; return of the first stage to the airport—these are the essential steps of the Sänger's flight.

was given the name *Sänger*.

Figure 5 illustrates how space flight in the year 2000 will appear, corresponding to the *Sänger* concept: The two-stage transporter launches from a major European airport—perhaps the new Munich Airport. The first stage, which corresponds in size to a large contemporary aircraft, cuts across Africa to the equator, accelerating to a velocity of Mach 7 and attaining an altitude of 35 km. Now, the second stage, a rocketcraft, is released and its rocket motor ignited. In 280 seconds, the upper stage accelerates to a velocity of 8 km/sec, and arrives at the transfer orbit to the desired terrestrial orbit. While the second stage carries its payload to the circumterrestrial orbit, the first stage returns to Earth, landing horizontally.

The first stage, the basis for the new space transporter, is a hypersonic aircraft equipped with six air-breathing engines. Each engine produces a thrust of 400 kN; the total thrust is sufficient to accelerate a launch mass of 400 tons into the hypersonic range within a few minutes.

The required turbo-jet engines, of course, do not as yet exist, but can be developed as an extension of existing technologies. **Figure 6** shows an appropriate design with the TRA-400 engine. It runs on liquid hydrogen as fuel and uses atmospheric air as the oxidizer. The weight of one motor is three tons; with help of the turbine and an effective air-entry area of 2.5 m², 200 kg air per second can be sucked in. In supersonic flight, the adiabatically compressed air will, of course, reach a high entry temperature. It must therefore flow through an entry cooler, thus increasing the efficiency of

combustion.

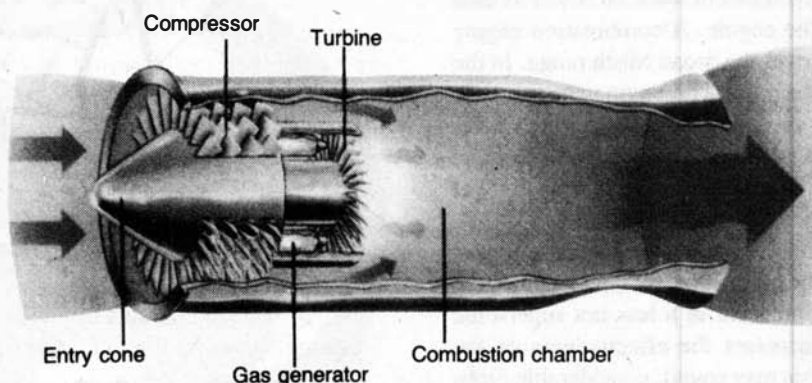
The volumes of ambient air from which the engine obtains the necessary flow-through of 200 kg per second varies, of course, with altitude. Close to the ground, it is 150 m³; at an altitude of 15 km, however, it is 1,000 m³. Under these conditions, attaining uniform combustion, and thus uniform thrust, presents a tremendous technological challenge.

Two further examples may illustrate the technologically demanding tasks posed: Without the employment of highly integrated, fast computers, the development of the engine and the aerodynamic structural design for hypersonic flight will not be possible, and there are innovations required even for the materials, since high demands are placed on the weight and on thermal and mechanical strength. The materials used must be simultaneously light, heat resistant, and of high rigidity.

Sänger's first stage will also form the technological basis for a future European hypersonic passenger aircraft. There are therefore technological similarities with the "Orient Express," a hypersonic passenger plane planned by the United States to which President Reagan ascribed so much importance in his speech before Congress.

The development of *Sänger* therefore embraces two projects: an essential plus of having two stages. The technology for a future hypersonic passenger plane falls out as a "by-product," so that *Sänger* not only offers the possibility of securing technological competitiveness of the Federal Republic (and Western Europe) in astronautics, but in aeronautics as well.

FIGURE 6
The TRA-400 engine



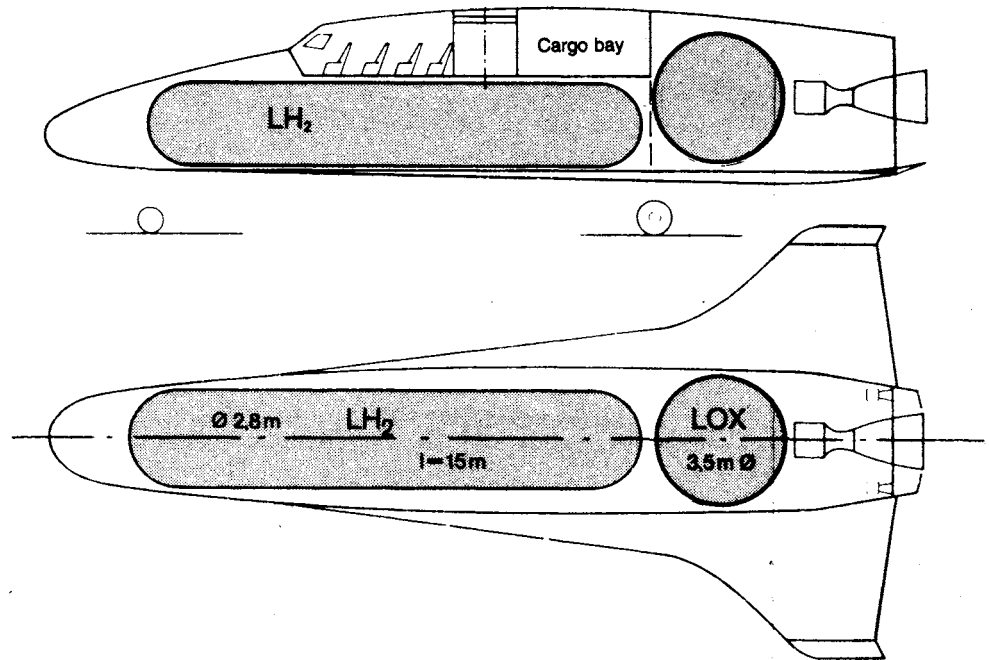
Basic data:

Thrust	400k N	Pressure ratio (launch)	ca.6
Maximum specific impulse	39,200 N s/kg at Mach 3.5	Entry temperature at turbine	1,200° K
Specific impulse at crossing	32,800 N s/kg at Mach 5	After burner exit temperature	ca.2,000° K
Entry area/diameter	2.5 m ² /2 m	Mass	ca. 3,000 kg

Six such engines will drive *Sänger's* first stage.

FIGURE 7

The second stage, HORUS



HORUS serves for manned flight into space and can transport between 2 and 10 astronauts.

Sänger's second stage flies with a rocket engine, hence it must carry hydrogen as fuel and liquid oxygen as oxidizer on board. Two versions are possible: HORUS (Hypersonic Orbital Research and Utilization System) for manned flight and CARGUS (derived from "cargo") for pure payload flights.

HORUS represents a further development of the U.S. Space Shuttle Orbiter and of the space glider *Hermes*, and is provided with an active drive and return system. **Figure 7** shows its construction. Within the fuselage of the vehicle, located beneath the cargo area, is a long tank with fluid hydrogen. According to the size of the cargo that is carried, there will be space for between 2 and 10 astronauts. Behind the hydrogen tank and the loading bay, which accommodates up to two tons, is the spherical tank for liquid oxygen.

The fuels supply a type ATC-500 rocket motor (ATC is the abbreviation for Advanced Topping Cycle). This motor delivers a thrust of 533 kN. The specific impulse attained in a vacuum is 4,630 m/sec, thanks to a pressure of 250 bar behind the combustion chamber. This engine's expansion ratio of 300 is especially impressive, and is, for example, many times higher than that of the HM-60 engine of the *Ariane 5*.

HORUS begins its ascent at an altitude of 30 km, after the first stage has brought it to a velocity of 2 km/sec. The space vehicle attains a velocity of 8 km/sec through combustion of 6 tons of hydrogen with 30 tons of oxygen; the relevant trajectory ends in a low-earth orbit of low eccentricity with an apogee value of 400 km.

The total mass of HORUS is approximately 60 tons, with the capability of transporting selective freight or crew or, with additional fuel, of reaching higher orbits. Additionally, *Sänger's* versatility is revealed by the fact that, by means of an unmanned version—called CARGUS—which is based on a single-stage expendable technology, up to 10 tons of payload can be transported.

An overview and summary of the *Sänger* conception (also see **Figure 8**) is as follows:

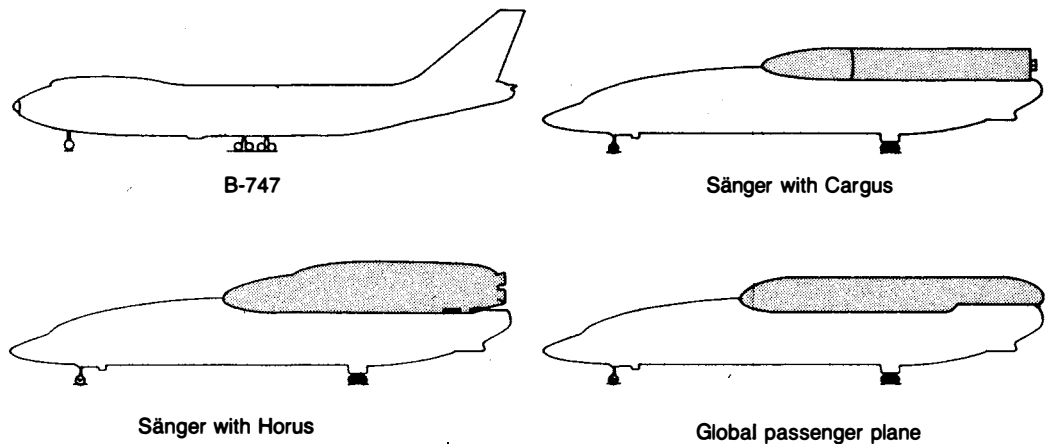
- 1) The two-stage transport system allows maximum operational flexibility. Only with this system are all terrestrial orbits within reach from Europe.
- 2) The first stage includes two projects in one development. From it, the "know-how" for the development of the European hypersonic passenger plan can be derived. Experience with *Hermes* will merge into the development of the second stage.
- 3) System studies must be initiated (especially for the air-breathing engine of the first stage), resulting in an identification of the technological focal points.
- 4) The operational employment of the space transport system can be expected in 2004-08, if the preparatory work begins in 1987.

Taking off from this conception, investigations of launch costs have yielded that, in fact, a considerable reduction may be expected in comparison with the standard carriers *Ariane* and *Hermes*.

With the space transporter depicted here, Europe will,

FIGURE 8
Sänger: a versatile system

The versatility of the Sänger concept is illustrated here: The first stage, which is roughly as large as today's large aircraft of the Boeing-747 type, serves with CARGUS and HORUS for transport into space, and can, with the addition of a passenger cabin, be used as a global passenger plane.



after a development period of 15 years, have available a system that will appear on the market at the right time with the right technology at the right price. This "timing" will secure Europe's competitive ability against the United States and Japan.

Sänger compared to other projects

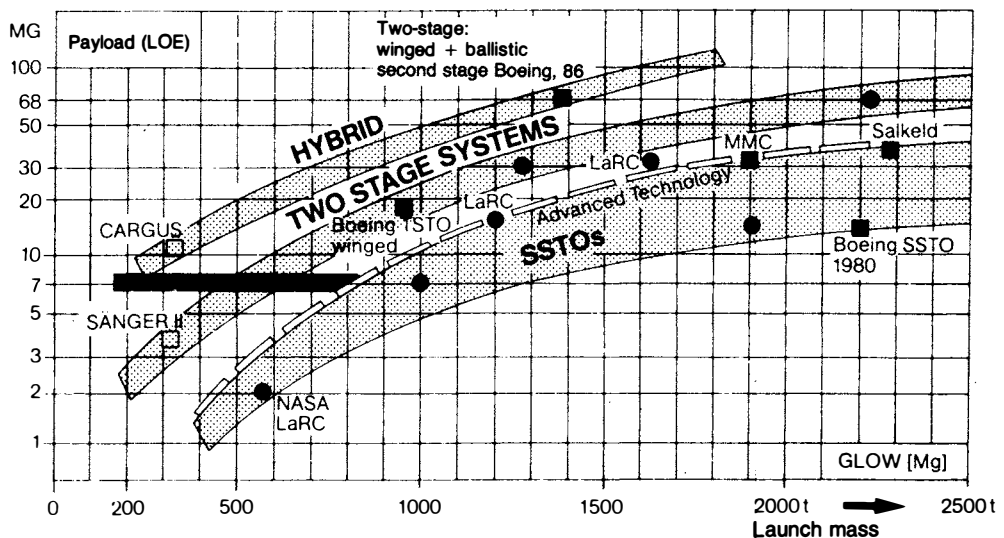
In Europe, there are two projects in the offing for the period after *Hermes*: *Sänger* and *HOTOL*. The United States is pursuing similar activities with the *National Aerospace Plane* or *NASP*. How are these projects to be evaluated in relation to *Sänger*? Are they alternatives or competitors?

The United States, as the greatest space nation, will de-

velop its own systems in any case. That is, *NASP* will be a competitor for Europe and not an alternative, since Europe must not lose its aeronautical independence, but must rather—on the contrary—develop it further.

HOTOL, which is in the meantime viewed by the British as a successor of *Hermes*, is quite otherwise. Of course, there are many experts who hold the opinion that the very optimistic claims about *HOTOL* cannot yet be realized. Thus, the value of 7:200 for the payload/launch mass that is specified stands in clear contradiction to American investigations of one- and two-stage space transporters. According to these investigations, as **Figure 9** shows, a one-stage transporter must, for a payload of 7 tons, have 800 tons (and not 200

FIGURE 9
Mass ratio for one-stage and two-stage vehicles



American investigations, which are reproduced in this graphic, make it appear doubtful whether *HOTOL* will function as planned. The ratio of payload to launch mass for one-stage vehicles is, according to this study, at 7:800, while the British are assigning 7 tons payload to a launch mass of only 200 tons.

tons, as assumed for HOTOL) at launch. Also, the developmental risk with futuristic combination engines, which many conceivable drive types involve, can hardly be estimated at present.

Therefore, HOTOL may rather be the basis for a space transporter of the fourth generation. It is thus not to be considered an alternative to *Sänger* but rather a successor, if we consider an extrapolation of the technological development.

What is our position with regard to *Hermes*? Is the participation of the Federal Republic in this project sensible?

The line of development of the space transporter can only run from expendable rockets through partially reusable to total use of reusable technology, or, expressed in terms of European project names, from *Ariane* through *Hermes* to *Sänger*. Because the second stage cannot be done without the first, since the systems of the third generation cannot be developed without the experience with those of the second generation being available, the question, on further thought, can also be put as follows: Does the Federal Republic intend to remain true to its own initiative and participate further in the conceiving of future transport systems, and thus become a space nation making productive contributions and decisions?

If the question is answered positively, then there is no way to bypass *Hermes*. A substantial participation, that is, participation with co-determination and joint formation on the system level, must be ensured. Only in that way will the relevant technologies and knowledge of systems be available for the Federal Republic.

For, whatever disadvantages *Hermes* may have, the development, construction, and operation of *Hermes* is indispensable as an entry into the area of reusable technology, as a precondition for European autonomy in space and as the essential technological developmental step in the direction of advanced space transport systems of the third generation.

If the Federal Republic abandons substantial participation in these projects, it will irreversibly decouple itself from a crucial technological area of European astronautical development. On the other hand, the role of component supplier, initiated with the *Ariane* project, would be established through a half-hearted participation.

In any case, this danger, because of the delayed decision, can no longer be excluded, and can be reduced only through special efforts from industry. Even today, doubts must be raised whether a systematic leading German role in the development and the construction of the space transporter of the next generation is possible in general.

A German Space Agency

As already said at the beginning, the Federal Republic of Germany has arrived with *Hermes* and *Sänger* at a crossroads. These projects offer us perhaps the last chance to turn the "steering wheel of astronautical policy" and to secure ourselves a place in European astronautics that corresponds to our great tradition in this field, as well as to our industrial

and scientific capabilities.

There are many reasons for the passive, reactive role that the Federal Republic plays in astronautics and which has again been revealed in the controversy over participation in *Hermes*. One reason is the self-caused absence of conceptions in astronautical policy. This has its causes in the confusion of authority and in the diverging and competing interests of many political and industrial powers that are not, in fact, sorted out in advance.

How can that be remedied?

The Federal Republic of Germany needs, in my opinion, a strengthened coordination of all responsibilities, so that it can be effectively and decisively represented with a coordinated strategy both internally and externally, in order to attain an active position.

For that, an agency possessing clear overarching authority is needed, a *national space agency* (NARAB), which, with centralized authority, defines astronautical strategies for the Federal Republic and represents that strategy internally and externally. This agency must be furnished with an astronautical budget that it translates independently and self-sufficiently into programs, projects, and free research. It must be the general discussion partner with the ESA and the national space agencies of other nations, whenever it is a matter of representation of the German space industry.

Only by means of this structural reform will the preconditions be created for being an equal partner in European and international astronautics. The United States, France, and, finally, also Great Britain have already shown us what competent initiatives can result from a national space agency.

Summary

What must now be done so that the Federal Republic can meet the great challenges in science and technology that are produced by the future of European astronautics?

1) We require the *Hermes* project as the entry into returnable technology.

2) We must, in addition to that, begin parallel national as well as international studies, in order to be able to identify the technological focal points in the development of the space transporter of the next generation. The goal of the development should be the two-stage space transporter *Sänger* proposed by Germany (or some better concept). Only its realization establishes the simultaneously challenging and realizable goal, and its development will secure for Europe the ability to compete in space and in future international air traffic.

3) We need a German space agency for coordination of all activities discussed under point 2).

If our nation embarks in this direction, it will hold all the possibilities in its hand to deploy its great technological potential for rewarding and advanced goals—and, not least, in recognition for the space pioneer Eugen Sänger. It is not a matter here of "gigantism," but rather of the preservation and expansion of our position among modern industrial societies.

Dope Inc.'s Carlos Lehder exposed as a Soviet agent

by Robyn Quijano

During the 1967-69 period, when Yuri Andropov's Soviet KGB launched what today is known as narco-terrorism, Carlos Lehder Rivas, a two-bit teenage crook known on the streets of New York as Joe Leather, or Colombian Joe, had just gotten his start in the dirty underground of Dope, Incorporated. The recent capture and extradition of Lehder to stand trial in Miami for narcotics trafficking, puts the spotlight on one of the best-crafted creations of the odd alliance among Eastern Establishment families, international bankers, the West's own intelligence services, and the Soviet KGB.

What comes to light as we investigate the 37-year-old gangster, the most high-profile and "political" of all the indicted members of the Medellín Cartel, is his role in the strategic operation to bury Western civilization. This is the story of the creation of a commander of the Soviets' irregular warfare against the West, and the support of his operation by the Western division of Dope, Inc., whose loyalty to the concept of an "Aquarian Age" makes the goal of destroying Christian civilization a joint project with their Soviet partners.

While Lehder is an avowed follower of Adolf Hitler, he is also a top business partner of Medellín Cartel financier Robert Vesco, who now resides in Havana, openly protected by Fidel Castro. Lehder founded a well-organized National Latin Movement, which advocates drug legalization, anti-imperialism, and environmentalism. The poisoning of the United States with drugs is one of his movement's stated goals. Lehder also founded a narco-terrorist army, the Quintín Lame, which is part of the Americas Battalion, the continental alliance of narco-terrorists which includes the Pol Pot-modeled Peruvian Shining Path and the Colombian M-19. The M-19 was paid by the Medellín Cartel in 1985 to seize the Colombian Justice Palace, to prevent the extradition of drug traffickers to the United States—leading to the murder of 100 people, including 12 Supreme Court justices.

EIR's 1986 edition of the best seller *Dope, Inc.: Boston Bankers and Soviet Commissars* profiled the Nazi-communist Lehder, and documented the Soviet takeover of the command of the new opium wars. But U.S. economist Lyndon LaRouche also warned in his preface to that edition, "Unless the hundreds of



NSIPS/Javier Almaraz

The people of Bogotá, Colombia turned out on Dec. 15, 1986 to honor Guillermo Cano, the anti-drug editor of the newspaper El Espectador, who was murdered by Carlos Lehder's dope-pushing Medellín Cartel.

billions of dollars of the drug traffickers are confiscated, and guilty bankers and financial brokers are sent to prison, the United States and Western Europe are helpless against terrorism. As long as such creators of the money-laundering system as Donald T. Regan are allowed to exert influence over the policies of our own and allied governments, there is no serious 'War on Drugs,' nor is there any serious action against international terrorism."

The trial of Carlos Lehder Rivas must expose the board of directors of Dope, Inc., East and West, and provide the crucial intelligence on which to launch the final offensive of the war on drugs.

'We will bury you'

Since the release of the 1986 edition of *Dope, Inc.*, more information has surfaced on the role of the Soviets in promoting the addiction of the youth of the West. Those who advocate legalization, be they members of the Medellín Cartel or "citizens above suspicion," concerned with decreasing crime by legalizing it, are doing the work of the Soviets. The legalization of deadly narcotics would be the crowning achievement of the Age of Aquarius, the destruction of the West that Nikita Khrushchov dreamed about when he said, "We will bury you."

In an article published in the fall 1986 issue of *Strategic Review*, "The Expanding Threat of Chemical-Biological Warfare: A Case of U.S. Tunnel Vision," by Dr. Joseph D. Douglass, the case is made that the Soviet involvement in the drug trade is part of their strategic war plan against the West. "Overwhelming evidence exists of the Soviet Bloc as a piv-

otal factor in the international drug traffic—in particular, of the strong role of Cuban intelligence (DGI), which has been under Soviet direction since 1970, of Bulgaria as a major staging area for the traffic, of the participation of communist parties in Latin America, and of the numerous pro-Soviet and Cuban sponsored terrorist forces involved in the flow. In light of this clear record, the continuing failure or refusal to recognize the traffic in drugs as a form of chemical warfare is truly startling."

According to Dr. Rachel Ehrenfeld, specialist in narco-terrorism at Columbia University, the Soviets are the creators of the deadly cocaine derivative "crack," which is instantaneously addictive. This cheap drug, which has flooded the schoolyards of the United States in the recent period, is a product of experiments which took place in the early '80s in the Amazon Jungle. According to Dr. Ehrenfeld, Cuban, East German, and Bulgarian researchers experimented with Amazonian Indians, addicting them with crack, and studying the high death rate from the drug. They then decided to introduce the drug, at the cheapest possible price, to the U.S. market.

We back up this thesis below, demonstrating not only the details of Carlos Lehder as a Soviet agent, but how those other controllers of the trade in the West have determined to cover up this Soviet warfare. When the U.S. budget for the war on drugs is slashed by Washington bureaucrats, when the courts let launderers of billions of drug dollars off with minimal fines, to continue their trade as merchants of death, we must ask: Whose side are they on in this battle to save our children and our civilization?

The crimes of the Medellín Cartel

by Valerie Rush and Gretchen Small

On Nov. 18, 1986, the U.S. Southern District Court in Miami, Florida unsealed a 50-page indictment against nine leaders of the Medellín Cartel, the "international criminal narcotics enterprise" named after the Colombian city which serves as the headquarters for the South American cocaine trafficking mafia. The indictment describes the "company," established by 1978, which controls the production, shipping, and sales of as much as 80% of the cocaine entering the United States each year.

In his 15-point warplan to crush narcotics trafficking in the Western hemisphere, issued in 1985, Lyndon LaRouche described the enemy as a "quasi-state . . . an evil and powerful government in its own right . . . greater than that of entire nations within the Americas." The indictment issued under direction of U.S. Attorney Leon B. Kellner, confirms LaRouche's description.

"The Cartel operated to coordinate and consolidate the production, distribution, and importation of cocaine into the United States. Through the Cartel, major cocaine organizations were able to pool resources, including raw materials, clandestine cocaine conversion laboratories, aircraft, vessels, transportation facilities, distribution networks, and cocaine to facilitate international narcotics trafficking," the indictment charges. "To protect its business operations and enforce its mandates, the Cartel corrupted public officials of foreign governments, and utilized force and violence, including threats to, physical assaults on, and murders of informants, discordant employees, and opponents of the Cartel."

Named are the **Ochoa brothers** (Jorge, Fabio, and Juan David), charged with controlling a massive cocaine manufacturing and distribution network. **Pablo Escobar Gaviria** and **Carlos Lehder** ran similar networks, with Lehder also identified as on-site operational supervisor. **Gonzalo Rodríguez Gacha** arranged for the distribution of cocaine through Panama to the West Coast of the United States, and helped establish the Cartel's Nicaraguan operations. **Federico Vaughan**, an assistant to Nicaraguan Interior Minister Tomás Borge, aided the Cartel in setting up cocaine laboratories and distribution facilities in Nicaragua (including use of a Sandinista military airbase as a fuel stop). **Rafael Cardona**

Salazar organized smuggling operations into the United States, and served as the Cartel's enforcer. The ninth figure indicted is a Cartel accountant and financial adviser, named as "**John Doe, a/k/a Jota**," who managed inventory and kept records of drug shipments and payments.

The 39 counts against the nine defendants range from racketeering to manufacture and trafficking in a controlled substance, obstruction of justice, conspiracy, and murder. If caught and convicted, the Cartel directors face maximum sentences of life imprisonment and fines of over a million dollars each. Thus far, Carlos Lehder is the only one caught. He was extradited on the basis of an earlier, and more limited, 1981 indictment, but the U.S. court is reportedly seeking Colombian government approval to try Lehder under the 1986 indictment as well.

A regional power

The Cartel cannot be understood as a "Colombian" operation. The raw material for cocaine, coca leaves, is produced primarily in Bolivia and Peru, but coca growing has become extensive in Brazil and Ecuador, and has begun in Venezuela, Colombia, and Argentina. Some part of virtually every country or island in the Caribbean Basin, including Central America, Venezuela and Mexico, is used as a transshipment point in the route to the United States, while drugs pour out of Brazil's Amazon into Europe, and back to the United States. As Colombia, Peru, and now Bolivia wage war on its operations, the Cartel has simply moved to more hospitable areas.

The Miami indictment details how the Cartel moved major cocaine operations into Nicaragua in 1984, after the Betancur government in Colombia launched a war against the mafia, ending the security which the Cartel had enjoyed under the two previous Presidents. After Colombia's military seized the vast jungle cocaine laboratory "Tranquilandia," in March 1984, and then swept the country in the wake of the assassination of Justice Minister Rodrigo Lara Bonilla on April 30, 1984, the Sandinista *comandantes* offered Nicaragua as a secure center for the Cartel's poisoning of the Americas.

Not so in Panama. With 80% of its economy controlled by foreign financial interests, Panama has often been used as an "offshore" center by those interests. But when the Ochoa brothers decided in 1984 to turn Panama into a new cocaine-processing center, they found that they would have to overthrow or assassinate the head of Panama's Defense Forces, Gen. Manuel Noriega. Retired Panamanian Gen. Rubén Darío Paredes, the man Henry Kissinger promoted for President in 1983, provided the Ochoas with their top "inside" man for the coup, Lt. Col. Julian Melo Borbua. But the operation was detected, and Melo was thrown out of the Defense Forces to be tried by a civilian court.

The Cartel upgraded its Honduras operations in 1986, when its chief, Juan Ramón Matta Ballesteros, moved his headquarters there, after escaping from jail in Colombia. He

had been held as an accomplice in the 1985 assassination of U.S. Drug Enforcement Administration agent Enrique Camarena in Mexico. A Honduran national who had moved to Colombia at the beginning of the cocaine boom, Matta Ballesteros's drug-running networks include the Nicaraguan Contras, Israeli mob networks in Costa Rica, and the Medellín Cartel's "Mexico connection."

Costa Rica, now the third-largest laundering center in the Hemisphere for drug monies, has been targeted as another major dope center. Cartel members consider Costa Rica their "personal office," law enforcement officers report. On Sept. 20, 1986, police seized a cocaine-processing laboratory in Costa Rica.

The problem is not limited to Ibero-America. A Pennsylvania branch of the Medellín Cartel was indicted in August 1986, charged with bringing an estimated 7.5 tons of cocaine into the United States over a several-year period in the mid-1980s.

The case of AIFLD

What has allowed the Cartel to build up its aura of invincibility, is the protection provided by the "men above suspicion," who from their positions in government or finance have ensured the integrity of the criminal enterprise as a whole. The State Department-funded American Institute for Free Labor Development (AIFLD), which has repeatedly intervened to protect the operations of the Medellín Cartel, is exemplary.

Not named in the Miami indictment is an individual whose inclusion could spark a huge diplomatic scandal, **Gilberto Rodríguez Orejuela**. Rodríguez was a "respected" Colombian banker for years, until his November 1984 arrest in Spain on narcotics-trafficking charges. Arrested with him was Jorge Ochoa Vásquez, one of the five leading Cartel figures. Rodríguez and Ochoa, it turned out, were joint owners of a Panama-based bank, First Interamericas (FIB), shut down in March 1985 for violating Panama's banking code.

Despite a prior extradition request for the two from the United States, both Rodríguez and Ochoa were extradited back to Colombia. Ochoa was released on bail and disappeared, while Rodríguez is still sitting in jail at last report. A little investigating by *EIR* turned up the fact that the manager of Rodríguez's bank when it was closed in Panama was one Antonio Beltrán, formerly the financial secretary of the UTC labor federation in Colombia and on the executive board of the UTC-run Banco de los Trabajadores (Workers' Bank).

The UTC, heavily funded and politically deployed by the AIFLD, had controlled the bank since its 1974 founding, but not long afterward sold its stocks to Rodríguez Orejuela through the good offices of Beltrán. UTC executives like President Tulio Cuevas and Beltrán himself, remained on the bank's board.

Since that mid-'70s takeover by Rodríguez and friends, the bank did worthy service for the Medellín Cartel. In the

early 1980s, the Banco was named as one of at least four Colombian banks involved in drug money laundering for Hernán Botero, a Medellín-based businessman and soccer team owner now doing 30 years in a Florida jail for drug trafficking. When former Colombian Justice Minister Enrique Parejo González was the target of a nearly successful mafia assassination attempt on Jan. 13, something calling itself the "Hernán Botero Brigade" claimed responsibility. Parejo signed the extradition order that made Botero the first Colombian trafficker to be handed over to the United States.

Botero's soccer team, after his extradition, was taken over by Mario Valderrama, the head of the UTC branch in Medellín and recently appointed a UTC vice-president. Valderrama was favored for the post by the current UTC President Victor Acosta and his sidekick, Secretary-General Alfonso Vargas. It was Vargas who, with Acosta's blessings, traveled to Spain in 1985 with his colleague Felipe Hurtado of the rival CTC labor federation, specifically to argue Rodríguez Orejuela's innocence before the Spanish courts. Were it not for the intervention of AIFLD's paid agents in Colombia, Rodríguez Orejuela and his business partner Jorge Ochoa Vásquez would probably be sitting in a Florida jail-cell with Carlos Lehder today.

The case of Colombia's Banco de los Trabajadores and the UTC-mob connections are no mere "abuse" of AIFLD's confidence. Tulio Cuevas, UTC president for more than a decade, was a long-term member of AIFLD's board of trustees, along with Julio Cruzado, the president of Peru's CTP labor federation and a close associate of convicted drug trafficker Carlos Langberg Meléndez. During the 1977-83 tenure of AIFLD director Bernard Packer in Peru, Cruzado and Packer attempted to create a Banco de los Trabajadores in that country—with Langberg providing the financing, as Rodríguez had done in Colombia. Fierce opposition to Cruzado within the trade union movement forced them to scotch the plan.

Apart from AIFLD's direct collaboration with drug runners, it has also embraced proposals and entities which explicitly foster the growth of the drug trade in Ibero-America. In 1984, it endorsed the recommendations of Henry Kissinger's National Bipartisan Commission on Central America, which urged conversion of that region's economies into Hong Kong-styled "free markets" which would offer a ready haven to the region's drug producers and traffickers. And, in repeated statements both private and public, AIFLD officials have praised the work of the International Monetary Fund, defending it from charges that its unyielding austerity terms produce ready conditions for the spread of the drug trade.

The Vesco connection

A second individual not yet indicted, provides a key to the networks protecting the Cartel's operations. **Robert Vesco**, the Cartel's financial and logistical chief, has lived in Cuba since 1984 under the protection of Fidel Castro, as

Castro himself told reporters on Aug. 4, 1985. Calling Vesco a persecuted "family man," Castro asked, "Is it just to hunt down a man who no longer has even a place to hide, as if he were a beast? I have told Vesco, 'If you want to live here, live here,'" Castro said.

The advantages to the Cuban intelligence services' own drug-running networks, of hosting a major Cartel director, are obvious. But it is Vesco's still-live access to Western financial and business interests, which makes him most valuable to the Castro regime, including for helping set up illegal trading networks to bring embargoed U.S. technology into Cuba.

Vesco's frequent trips to Costa Rica, and his extensive networks there, are an open secret in that country, as Costa Rica's *La Nación* reported on Nov. 30, 1986. Why have Costa Rican authorities not moved against the drug-runner's operations? Here again, the answer lies in the protection provided the Medellín Cartel by the corrupted U.S. intelligence networks controlling AIFLD. It was to Costa Rica that Vesco first fled when he was wanted by U.S. authorities in 1972, and he was welcomed by no less a man than the country's then President, José "Pepe" Figueres. Today, if you

want to see Vesco in Cuba, it is to Pepe Figueres that you must turn for clearance, Vesco-promotor Arthur Herzog reported in *Fortune* magazine last November.

Figueres was a founder of the Caribbean Legion, a Nazi network in the Caribbean turned over to Soviet control after World War II, according to U.S. military intelligence documents of the period. If that history has long since been buried, it is because Cord Meyer, the World Federalist turned CIA official who founded AIFLD, used Figueres to carry out many "U.S." political operations in South and Central America. In 1967, Figueres publicly described himself as a "CIA agent."

The revelation that Vesco's Swiss-based financial lieutenant, Willard Zucker, was the mastermind for the arms and money supply network set up by John Poindexter's National Security Council for the Nicaraguan Contras (see *EIR*, Dec. 19, 1986 and Jan. 23, 1987), confirms the mounting evidence that Vesco's access to the West has been protected by a network within U.S. intelligence itself. Here, the track to be pursued remains Vesco's relationship to his former lawyer, Kenneth Bialkin of the Anti-Defamation League of B'nai B'rith.

LaRouche: How to run the war on drugs

In a statement prepared for congressional hearings on the Department of Justice's budget on Feb. 3, 1987, Lyndon LaRouche outlined the crucial points for a "battle-plan against the international drug-trafficking," excerpted here:

There are six points, at each and all of which the international drug traffic must be crushed, if we are to be effective. 1) In the nation in which the substances are originally produced. 2) In movements of substances across national borders. 3) Through intensive inspection of all vessels and aircraft entering the United States. 4) Through tracing the flow of revenues from the drug-traffic through financial institutions, and through administering crushing penalties to institutions whose negligence fosters the existence of channels of laundering of drug-revenues. 5) Through sweeping the drug-pushers from the streets. 6) Through strict and vigorous law-enforcement action, with severe penalties, against the users who represent the market on which the existence of the drug-traffickers depends.

Although appropriate types of military aircraft, helicopters, and electronic equipment, are indispensable for dealing with the production and bulk transport of such

substances, no amount of equipment would produce success without improvement in the system of human intelligence affecting all six layers of interdiction.

Friendly nations are crippled by lack of proper radar, and shortages of aerial flotillas which combine gunship planes and helicopters. With adequate equipment military arms of nations below our Rio Grande border can be very effective in doing their part. We must be more consistent in aiding these governments with access to current satellite and AWACS-type information, to assist in selecting and planning military and similar operations. We do not need to send in U.S. Green Berets, except as civilians assigned to liaison with relevant agencies of those governments.

Apart from this modest amount of assistance to cooperating foreign governments, the most massive problem today, is a shortage of qualified anti-drug intelligence personnel in federal, state, and local U.S. agencies. Although law-enforcement is an integral part of this, effective law-enforcement by itself is not the answer. The key is the use of high-quality methods of intelligence detection, tracking, and operations, in pinpointing targets for appropriately military or law-enforcement action. . . .

We must increase the allotments for the War on Drugs in two categories. 1) We must increase allotments of materiel required as assistance to cooperating governments. 2) We must increase substantially the number of anti-drug intelligence officers in every responsible agency. If we do not find the will to do these two things, we can not be said to be serious about fighting a War on Drugs to win.

Carlos Lehder Rivas: the fall of an 'untouchable'

by Valerie Rush

A scan of the last five years' writings and interviews given by Colombia's flamboyant dope czar, **Carlos Lehder Rivas**, provides a striking view of his kaleidoscope of ideological attachments. Lehder's professed admiration for Adolf Hitler, his association with the Colombian MAS death squad that murdered leftist students and labor leaders, his oft-published denunciations of "Marxism-Leninism," all stand in seemingly stark contrast to his adoration of the Beatles' "peace-loving" John Lennon, his political movement's emulation of the "flower-children" of West Germany's Green Party, his lucrative business arrangements with the Cuban and Nicaraguan governments, and his declaration of common cause with the leftist M-19 guerrillas in Colombia.

Schizophrenic? Not at all. As *EIR* noted more than two years ago in its best-selling second edition of *Dope, Inc., Boston Bankers and Soviet Commissars*: "There is more than just a marriage of convenience between the old Nazi networks and the Bulgarian-Soviet and Cuban networks which provide the arms and infrastructure to the narco-terrorists." The career of Carlos Lehder offers a clinical view of the phenomenon of *Nazi-communism*, a joining of two not-so-irreconcilable worlds in the underground of Dope, Inc.

'Rags to riches'

When Lehder, a pot-dealing, car-thieving hoodlum in his early twenties, was deported back to Colombia after doing two years in a Connecticut penitentiary, he had learned a thing or two from his juvenile stint in the United States. In possession of significant profits from his earlier criminal activities, Lehder moved to the Bahamas around 1976, purchasing an airplane, and soon thereafter, setting up an airplane rental service for the burgeoning drug trade moving through those islands.

Although Lehder's car- and dope-smuggling links to the Detroit mob in the early 1970s may have brought the Colombian delinquent into contact with the circles of fugitive embezzler **Robert Vesco** then, it is more likely that the two criminals first crossed paths in the Bahamas, sometime between 1977 and 1978. This was when the Costa Rican government was pressured into withdrawing the highly profitable

refuge it had provided the underworld financier, thereby forcing Vesco into Caribbean island-hopping. Using the good offices of a Dutch Antilles shell company undoubtedly created for the occasion by Vesco, Lehder and his new friend purchased the private island known as Norman's Cay, a mere 200 miles from the tip of Florida and a first-class smugglers' paradise, where Lehder was to live for the next several years.

Under the pretext of turning the island into a tourist resort, Vesco and Lehder converted it into a high-class "pit stop" for the dope trade. Providing refrigerated warehouses for the cocaine, airplane hangars for repair and refueling, comfortable accommodations for weary pilots, and the best in electronic surveillance and killer Dobermans as security, Lehder rapidly earned a fortune for his services.

In a June 1983 interview with the Colombian radio station Caracol, Lehder asserted: "Part of my great fortune is due to the large investments I made in the Bahamas some six years ago. Hundreds of Colombians have had access to these territories, to conduct transactions they found necessary to carry out. . . . I don't deny for a moment the great fortunes emerging today in Colombia, carrying out social acts and bringing the dollars back into Colombia."

Norman's Cay had the misfortune to be shut down by U.S. anti-drug forces around 1981, but—reportedly due to the influence of Vesco, as well as the hundreds of thousands of dollars in bribes paid to the **Lynden Pindling** government in Nassau—Lehder himself was able to escape arrest, returning to his hometown in Quindío, Colombia, where he was to build himself a feudal empire and link fortunes with the so-called Medellín Cartel of **Pablo Escobar** and the **Ochoa clan**.

The Cuba connection

Far from ending his lucrative business association with Vesco, Norman's Cay proved to be just the beginning. One year later, Vesco had found a bigger and better Norman's Cay in the form of Cuba, where **Fidel Castro** welcomed the harassed fugitive with open arms—in return for a piece of the action. Key to that "action" was Carlos Lehder. According to investigative journalist Ernest Volkman, writing in

April 1984 for the magazine *Family Weekly*:

"The Cubans needed Lehder; they were trying to run guns to leftist M-19 guerrillas in the Colombian countryside. Lehder, with his extensive smuggling operation, was perfect for the job, and a deal was struck: Lehder would aid Cuban arms smuggling into Colombia, while the Cubans would provide protection, anchorage, and other help for his drug-smuggling operations into the United States."

Lehder handled logistics, and Vesco the finances, for what rapidly grew into a cocaine trade supplying nearly 80% of the U.S. cocaine market. Lehder operated with impunity throughout the country, due to the web of corruption he and his ilk had succeeded in weaving around Colombia's leading national institutions.

Lehder handled logistics, and Vesco the finances, for what rapidly grew into a cocaine trade supplying nearly 80% of the U.S. cocaine market. As Volkmann described it: "Castro and Vesco sit at the center of a huge drug-smuggling operation that is responsible for a significant portion of the illegal narcotics coming into the United States. . . . According to admittedly imprecise estimates, believed to be on the conservative side, the operation has generated nearly \$20 billion in profits during the past four years alone." Another source, *Forbes* magazine of Sept. 4, 1984, wrote, "The Castro government is said to get payments of \$500,000 or more per large boatload of drugs."

Cuba was not Vesco and Lehder's only Communist ally. In July of 1984, Lehder was named for the first time by a federal grand jury in Miami as one of eleven sought for trafficking Colombian cocaine into the United States—through Nicaragua. Escobar and Lehder put the operation together, assisted by one **Federico Vaughan**, identified by the U.S. Drug Enforcement Administration then as a top aide to the Sandinistas' interior minister, Tomás Borge.

The role of Colombia's most prominent financial institutions in laundering Lehder's drug profits came to light following the 1984 raid on Lehder's luxurious villa, where a

December 1981 letter from the drug trafficker to top Colombian banker **Jaime Michelsen Uribe** was discovered. Michelsen, at the time president of the Banco de Colombia as well as head of the powerful Grancolombiano financial group, was also first cousin to former President **Alfonso López Michelsen**. The text of the letter, published by *El Espectador* on July 5, 1985, read in part:

"In accord with the conversations held in the past few days, I attach here the following documentation . . . of the already constituted companies and projects to be developed by your organization. . . . We want to ratify our interest in the Grancolombiano Group's being the intermediary for channeling our foreign exchange resources, a product of our companies abroad, which equal the sum of some \$20 million a year and which we would be prepared to transfer to the country through your correspondent banks under conditions stipulated by you.

"It would not be too much to add, Dr. Michelsen, our sincerest gratefulness for your interest and the magnificent attention lent our representatives. . . ."

On New Year's Eve 1985, Jaime Michelsen Uribe was forced by President Belisario Betancur to resign all of his positions with the Grancolombiano Group in the face of overwhelming evidence of his corrupt business practices. Michelsen fled the next morning to Miami, and later from there to Panama, where he has remained as a fugitive from Colombian justice.

A green Nazi

Back in Colombia, Lehder continued to expand the movement he had launched under the name of "National Latin Movement (MLN)." Lehder bought himself a 4,000-man army of fanatic youth, a national presence through expensive full-page newspaper ads, and his own weekly newspaper, *Quindío Libre*. Lehder's rag, printed in green ink on green newsprint, mixed diatribes against extradition, Zionism, and U.S. imperialism with advocacy of drug legalization, breeding a taller, heavier, and healthier "race" of Colombians, and praise of Adolf Hitler. His self-defense of drug traffickers as Colombian patriots seeking to bring the "bonanza" back home was a constant theme in his writings. At one point, Lehder sent a blank check to Cuba for the release of Colombian drug traffickers held in Castro's prisons.

Lehder's rallies were held with giant posters of Hitler and Mussolini for backdrops. In several 1983 interviews, Lehder described Hitler as "one of the great men of our history, whom the Jews and the imperialists distorted." In a January 1985 interview, he declared, "Adolf eliminated 21 million Communists and 6 million allied enemies. He is the greatest warrior mankind has ever had."

Lehder was a fanatic environmentalist, financing ecology movements inside Colombia and denouncing the pollution brought by "oligarchic" technology. He regularly compared

his movement to the **West German Green Party**, itself a classic Nazi-communist creation in the service of Soviet destabilization aims. One issue of Lehder's newspaper carried the following chilling caption to a full page of matching photos of long-hairs in the Green Party and in his own MLN:

"With their long and unkempt hair, the new 'Green' parliamentarians of Germany enter the Bundestag. A fresh breeze, with the odor of naturalness. . . . Headed by their leader, the hyperactive Petra Kelly, the 29 Green parliamentarians immediately took the microphone while the fat, old congressmen—accustomed to the odor of cologne, jackets, and ties—just smiled. *Perhaps with time the smiles of the traditionalists will disappear before the immense and growing power of the environmentalists* [emphasis added]."

At the time of Lehder's 1984 escape into clandestineness, it was rumored that Lehder's movement had a mutual admiration pact with the Greens, and that **Petra Kelly** had been invited by the MLN to tour Colombia.

Lehder also had an obsession with the "indigenous races" of Latin America, an obsession shared with his equally murderous Maoist colleagues in neighboring Peru, the Shining Path (*Sendero Luminoso*). He wrote of the "humble Indians . . . the latent expression of our proud race which one day not long ago was a race of kings," and altered the logo of his newspaper to read *quINDIO LIBRE* (free Indian). Over a recent period, Lehder financed the creation of a narco-terrorist "indigenist" force called the Quintín Lame Brigade, and threatened to forge a half-million-strong army to capture the Colombian government.

Going underground

By 1984, his "movement" had spread to three provinces and he had run, albeit unsuccessfully, for the Colombian Senate. Although based in the tiny province of Quindío, Lehder coordinated his drug operations nationally through Pablo Escobar in the city of Medellín, and through **Gilberto Rodríguez Orejuela** in Cali. He began to hold large and well-financed rallies in the capital city of Bogotá as well. The probability of his movement electing one or more federal congressmen was increasing along with his vast fortune.

Despite his admissions of drug-trafficking in public interviews, Lehder operated with impunity throughout the country, due to the web of corruption he and his ilk had succeeded in weaving around Colombia's leading national institutions. Not a single charge was ever proffered against him, despite the overwhelming evidence of his criminal activities.

Justice Minister Rodrigo Lara Bonilla ended Lehder's dreams of an easy ascent to power. Minister Lara, a patriot committed to rescuing the country's institutions from the likes of Lehder, took up a defense of the U.S.-Colombia extradition treaty and—despite the reluctance of President Betancur at the time—was hopeful of winning its enforce-

ment. In March of 1984, Lara coordinated a raid on the traffickers' jungle hideout of Tranquilandia, the world's largest cocaine production complex, and named, among others, elected Congressman Pablo Escobar as a co-owner. That raid marked the beginning of the end of mafia "untouchability."

On April 30, 1984, Lara Bonilla was assassinated by hirelings of the Medellín Cartel. Lehder was publicly cited as under suspicion for the murder, and was forced to flee, along with the majority of the top traffickers in the country. The only "capo" seized—and later released—in the government's post-assassination dragnet was **Evaristo Porras**, co-owner of Tranquilandia. Ironically, it was Porras who had accused Lara in 1983 of being on the mafia payroll, presenting his own falsified checks made out to Lara as "proof." Porras was also the first important drug trafficker captured in the Barco government's December 1986 raids, and is now in jail facing military justice.

Lara Bonilla's assassination was intended to be just the first of a series of murders of prominent anti-drug figures in Ibero-America. Not long after Lara's murder, the Venezuelan magazine *Auténtico* carried the story that a plot to assassinate Venezuelan Justice Minister José Manzo González had been exposed and prevented. The murder, according to the magazine's sources, was to have been carried out by Lehder's thugs, but was planned in Havana. Among those named as responsible for coordinating the murder were **Nelida Allare**, Fidel Castro's live-in lover, **Dr. Ana Pla**, Allare's sister and a close friend of Lehder's wife, Jemel Nasser, and two representatives of Cuba at the United Nations.

Denied a respectable place in Colombian society, Lehder went regional with a vengeance. He traveled to Peru, Brazil, and elsewhere, where he expanded trafficking operations with those countries' mafias. At the same time, he became the mafia coordinator of Dope, Inc.'s "irregular warfare" forces against the continent's sovereign governments, the narco-terrorist "Americas Battalion" just taking shape under the leadership of the Colombian M-19 and Peruvian Shining Path. His Quintín Lame Brigade officially enlisted in the Battalion.

In a Jan. 28, 1985 interview "somewhere in the Colombian jungle," Lehder described the leftist M-19 as "revolutionary" and "nationalist." Lehder told journalists, "The M-19 . . . is the only movement that has declared itself against extradition. The M-19 plays a key role with the masses. . . . The call of [then M-19 leader] **Ivan [Marino Ospina]** in Mexico is a call for the guerrilla movements to join in the bonanza."

Lehder was referring to a Mexico City press conference given by Marino Ospina one month earlier, in which the M-19 leader not only urged a total amnesty for drug traffickers so that drug money could be repatriated to "benefit the people," but enthusiastically endorsed the Colombian mafia's threat to assassinate U.S. diplomats and citizens worldwide.

Banks, mafia agree: Legalize dope trade!

by Gretchen Small

Two years ago, American diplomats based in Colombia warned their superiors that the narcotics cartel was planning a dramatic new offensive for 1986-87. The cartel's goal, the diplomats reported, was to legalize narcotics trafficking worldwide, from production to consumption. In Colombia, they would try to set the precedent, by forcing the state to legalize narcotics trafficking. But to win, the cartel must ensure that other nations, and particularly the United States, do not move to crush the state that legalizes. If that can be assured, worldwide legalization will soon follow.

To prepare the ground, the mafia set out to turn legalization into an "acceptable" idea. Thus it is indispensable to show how the legalization lobby functions, in order to crush the cartel as a whole. Indeed, whoever espouses the legalization of narcotics, must be investigated as part of the narcotics cartel.

Legalization advocates claim that their right to propose legitimizing the narcotics trade, is guaranteed by "democratic free speech." Their role as the mafia's "fifth column" within democratic societies, however, was demonstrated with a vengeance in Colombia during the past three months. There, the mafia has been murdering those who oppose their "democratic right" to legalization.

On Dec. 2, 1986, Samuel Buitrago, President of the Council of State, a constitutional monitoring body, put forward the mafia's plan. The state itself should take over control of the trade and use of narcotics, he stated in a national television interview. Calling Colombia's extradition treaty with the United States—the treaty which made it possible for Carlos Lehder to be whisked out of Colombia following his arrest, to stand trial in a Miami prison—"unpatriotic" and "repulsive," Buitrago accused the Colombian government of playing the role of "useful idiot" to the United States, because of its war on drugs.

Colombia's elite reacted sharply. "The state cannot dedicate itself to producing something which leads to the degeneration of the species," Justice Minister Suescun Monroy replied. Buitrago's "unexpected and shocking" proposal contributes to the "demoralization" of a population already wracked by violence and poverty, and, in effect, would legalize the mafia's assassinations of its opponents, *El Espectador* newspaper warned in a Dec. 5 editorial.

El Espectador's publisher, Guillermo Cano, had used his

editorials to warn that legalizing would be to "coexist with" and "accept" organized crime. On Dec. 17, a mafia hit squad murdered Cano in Bogota.

Meanwhile, the dope mafia escalated its campaign inside the United States. In January 1987, three major articles arguing for legalizing drugs were published by the *Washington Post* and the *New York Times*. And in each case, their arguments and authors lead back to the mob.

The first appeared in the *Washington Post* on Jan. 6. It is "too late" to beat the awesome power of the drug mob, a correspondent for Colombia's *El Tiempo* newspaper, Cecilia Rodríguez, wrote in a guest commentary. She offered several "new steps," all taken from the text of the Medellín Cartel's latest "offer" to the Colombian government, which had been published in Colombia. She urged "government acceptance of a recent proposal by the leading *narcotraficantes* to pay off the country's \$13.5 billion foreign debt," and "legalization of the production, trafficking and use of cocaine and marijuana, not only in Colombia, but also in the United States."

On Jan. 25, the *New York Times* opened its pages to another of *El Tiempo's* legalization lobbyists, Daniel Samper Pizano. "Already it is considered morally and intellectually acceptable to suggest that Colombia is paying too high a price in the fight against what is considered an American vice," Samper wrote. Citing the Buitrago call for "legalizing commerce in narcotics," Samper argued that "if the smell of gunpowder vanishes, a new attitude may prevail."

The most important article, however, appeared in the *New York Times* on Jan. 24. Under the careful title, "A Three Front War on Drugs," former U.S. Attorney General Elliot Richardson and Harvard Kennedy School of Government lecturer Gregory F. Treverton made the campaign for legalization, the Eastern Establishment's demand.

"Drug-related corruption . . . is eating away at the fabric of fragile democracies. . . . An honest evaluation of anti-drug programs is imperative," they wrote. "Any approach to evaluation must distinguish from the outset two distinctly different evils. One is the human waste caused by drug dependence. The other is the crime and corruption fostered by making the drug business illegal. . . . *Would limited legalization . . . by reducing the economic incentive to promote addiction, also reduce dependence?* Without answers to these questions, there can be neither a convincing assertion of victory nor *an honest admission of defeat* [emphasis added].

The Establishment and the mafia

Elliot Richardson provides the key to understanding how the cream of the U.S. Liberal Eastern Establishment works with Carlos Lehder and the rest of the Medellín Cartel. Any law enforcement official familiar with the *1986 Report of the Inter-American Dialogue*, issued in April, will recognize that Richardson's argument was lifted from that report.

Established in 1983 by President Jimmy Carter's envoy Sol Linowitz, the Inter-American Dialogue brings together

60 top Establishment policy makers from the United States, Canada, and Ibero-America, "to meet regularly to discuss and offer recommendations on major hemispheric issues." Richardson is a member of the group, along with the top rung of the U.S. banking community. The "chairman" of the Eastern Establishment, McGeorge Bundy, is a member, along with former World Bank president Robert S. McNamara ("Mr. Vietnam"); Jimmy Carter's Secretary of State Cyrus Vance; Chase Manhattan's Theodore Hesburgh (also president of Notre Dame University); Chemical Bank Executive Vice President Terry Canavan; and the chairman of Marine Midland Bank, John R. Petty.

Like Samper Pizano, members of the Inter-American Dialogue urged that "fresh approaches" toward the narcotics problem be considered for the Western Hemisphere. "Selective legalization" should now be discussed, the report argued, because "the war against narcotics in the Hemisphere will be long and difficult"—perhaps unwinnable.

Legalizing "does not reduce the number of users, and would in fact probably increase them," the 1986 report admits, adding that "by one estimate, as many as 60 million North Americans might become cocaine users, although not necessarily addicts, if the drug were legal." But, while Colombian officials refused to promote this "degeneration of the species," Dialogue members like Richardson couldn't care less. "The illegality of drugs . . . makes the damage greater for both the addicts and the societies of the Americas," states the report.

Grounds for investigating Richardson have already appeared in other areas of his work. A Boston Brahmin, Richardson served as lawyer for the Marxist government of Angola, as well as for the late Iranian gun-runner Cyrus Hashemi. His participation in the 1981 founding of a Lima, Peru-based narcotics-linked lobby, the Institute for Liberty and Democracy, also bears investigation.

Closing the circle: López Michelsen

Joining Richardson et al., in the Inter-American Dialogue, are others who have played key roles in arranging the laundering of narcotics money. These include Pedro-Pablo Kuczynski, the former energy and mining minister of Peru, who now co-chairs Crédit Suisse's New York partnership, the First Boston Corporation, a firm interlinked with White Weld of Boston and Donald Regan's Merrill Lynch. Panama's former President Nicolás Ardito Barletta, is another example. This former vice-president of the World Bank set up Panama's international offshore financial center in the 1970s, ensuring that it would be "more secret than Switzerland," shortly before South America's cocaine boom took off.

Another case is Rodrigo Botero Montoya, a co-chairman of the Inter-American Dialogue. Here, the connection between the Dialogue, and Carlos Lehder and the Medellín Cartel, comes full circle.

A member of the Ford Foundation and Aspen Institute,

Botero was finance minister of Colombia from 1974-76, under President Alfonso López Michelsen. Botero's claim to fame as finance minister, was the establishment of a black market window at the central bank, where dollars could be exchanged for pesos—no questions asked. Everyone knew Botero's window, called the *ventanilla siniestra* (literally, the sinister window) in Colombia, was set up to allow dope dealers to launder their money into the "legitimate" economy.

For his part, López Michelsen, the friend of Fidel Castro known as the "Godfather" of Colombia's dope trade, made

The New York Times and the Washington Post are opening their editorial pages to advocates of the legalization of narcotics—to people who are themselves linked to the Ibero-American dope interests.

himself the public spokesman for the drug mafia. On May 6, 1984—one week after the mob murdered their courageous opponent, Colombian Justice Minister Rodrigo Lara Bonilla—López Michelsen met in Panama with two Medellín Cartel chiefs, Pablo Escobar and Jorge Ochoa, to discuss the Cartel's "offer" to repatriate \$3 billion and turn over their airstrips and processing laboratories to the state, in return for a full amnesty for the Cartel members.

López Michelsen transmitted the offer to President Belisario Betancur upon his return. When Betancur refused to act, López Michelsen took the mafia's campaign to *El Tiempo*, the newspaper with which his family has long been linked. On July 29, 1984, *El Tiempo* published a full-page interview with López Michelsen, where he reported on his meeting with the mob, gave the terms of their "offer," and argued that the mafia's plan "was a coherent plan. . . . If these gentlemen want to surrender their laboratories, landing strips, and plantations, and sell their planes, then I think the road to reducing the narcotics traffic is probably easier through some form of arrangement than by the more difficult path to reach the same goal," he stated.

López Michelsen's longstanding ties to the mob close the circle on the legalization lobby. In 1982, Carlos Lehder contributed 25 million pesos to López Michelsen's second bid for the presidency. Accepting the "contribution," was López Michelsen's campaign manager, Ernesto Samper Pizano, the head of Colombia's drug-legalization lobby for more than a decade, and brother of that Samper Pizano who brought Lehder's demands to the pages of the *Washington Post* on Jan. 6, 1987.

Target the bankers behind Dope, Inc.

by Valerie Rush

The only way to win the war against the East-West condominium which runs the international narcotics trade, as *EIR* warned in its 1978 book, *Dope, Inc.*, is to target its financiers, the leading banking institutions of London, Geneva, Hong Kong, and Wall Street, which make the investments and launder the profits.

Since we first issued that report, the value of the dope trade has risen from \$100 billion worldwide to more than \$500 billion today. Despite pious sentiments expressed by one U.S. administration after another, Washington has never yet employed its influence and authority to interrupt the flows of dope profits going in and out of Wall Street's vaults.

Now, with the breakthrough in Colombia's anti-drug war represented by the capture and extradition of Carlos Lehder, the Colombian government has discovered that Dope, Inc. is not invincible. From its own courageous escalation of the war on drugs, the Barco administration has drawn the authority to demand an end to U.S. protection of the dope banks. In a Jan. 29 speech to the diplomatic corps in Colombia, President Virgilio Barco declared:

"As long as the consumer countries do not adopt effective measures and the sale of narcotics continues as if it were an item of necessity . . . as long as the producer countries lack the capacity to eradicate plantations . . . and as long as some countries continue to permit financial and banking institutions on their territory to serve as refuge for blood-stained money, the profit of crime, the battle against this scourge will not be won in Colombia."

Putting teeth into Barco's call was a proposal, made public two days later by Attorney General Carlos Mauro Hoyos, for the investigation of Colombia's "overnight millionaires." Said Mauro Hoyos, "With police measures alone, one cannot conduct a war against the drug trade. . . . It is time that the government began to consider economic measures for detecting [the traffickers'] funds." And on Feb. 9, the attorney general insisted: "To study the origin of many fortunes is today, for us and the entire world, the only viable and certain path—apart from simple repression—to battle the drug trade and the bribery of public officials."

The government's newly proposed focus for expanding the war on drugs was embraced by the daily *El Espectador*, whose publisher Guillermo Cano was murdered by the mob

in December 1986. Cano's sons wrote in the paper's lead editorial Feb. 6: "It is necessary that the tax authorities complement . . . the repressive action of law enforcement by investigating the immense fortunes that appear from one moment to the next, and, in view of the entire country, stand exposed [as operating] through apparently legal business and industrial activities which are in fact the product of money laundering obtained by criminal design and without the slightest scruples."

Regan and Weld: the U.S. connection

Colombia's aggressive anti-drug effort led to the capture of 2,011 people during the 45-day state of emergency which ended hours before Lehder's capture. In a total of 1,899 raids, 750 kilos of pure cocaine were seized, 18 laboratories dismantled, and 140,000 coca bushes and 180 tons of marijuana destroyed.

This stands in stark contrast to the U.S. "war on drugs," whose ineffectiveness is the most devastating obstacle to a global victory over the forces of Dope, Inc. Like the monkey which cannot withdraw its paw from a trap because it refuses to drop the bait inside, so has the Reagan administration been snared by its "free enterprise" obsession, into virtual paralysis on the anti-drug front, giving free rein to such power brokers of Dope, Inc. as White House Chief of Staff Donald Regan.

The November 1984 report of the President's Commission on Organized Crime, entitled "The Cash Connection," named the Merrill Lynch investment house, over which Regan had presided as chairman for 12 years, as one of the premier Wall Street financial institutions to open its doors to the drug mafia. Instead of seizing the opportunity to purge his government of Regan's influence, President Reagan moved his treasury secretary into the pivotal White House post.

In the name of defending "free enterprise," Regan has sabotaged money-laundering law enforcement efforts and protected known offshore havens for dope money, while his budget-slashing mania is directly responsible for the current proposal to cut 25% from the government's \$4 billion anti-drug budget. During his stint at Treasury, Regan was a key influence on economic and financial policies which ensured that the collapsing U.S. banking system would be forced to depend on a margin of liquidity acquired from illegal drug revenues.

Regan's chairmanship of Merrill Lynch—which was denounced by the London Stock Exchange in 1986 for "disreputable practices"—oversaw the firm's 1978 merger with the New York- and Boston-based White Weld Securities, and with the Zurich-based *Crédit Suisse*, a combination that today dominates the \$140 billion-a-year Eurobond market which serves as a haven for drug revenues, among other forms of "hot money."

If one follows the trail of *Crédit Suisse*, considered by U.S. federal prosecutors one of the world's dirtiest banks,

and White Weld Securities, one arrives at the doorstep of William Weld, the head of the Criminal Division of the U.S. Justice Department, whose family founded the White Weld investment house. When, in 1985, Crédit Suisse was caught in a multibillion-dollar money-laundering scheme with Bank of Boston, then U.S. Attorney Weld oversaw the investigation which led to a mere \$500,000 fine for the bank—and no action whatsoever against the nine foreign correspondent banks cited in the case, prominently including the Weld family's business partners at Crédit Suisse. Weld's complicity in whitewashing the activities of the drug banks is only surpassed by the zeal with which he has prosecuted the enemies of Dope, Inc.

With the likes of Regan and Weld squatting over the executive and judicial systems of the United States, is it any wonder that the besieged government of Colombia is demanding to know, in the words of Interior Minister Cepeda Ulloa, "Why are we bleeding alone?"

Debt and drugs

It is hardly a coincidence that the Colombian anti-drug developments are occurring just as the Vatican released a document on the injustice of the Third World's foreign debt, and as Attorney General Mauro Hoyos's proposed action against illicit fortunes received the endorsement of Colombian Cardinal Alfonso López Trujillo—a papal confidant and one of the most powerful clerics in Ibero-America. The creditor banks could not collect their usurious interest charges on the foreign debts, were it not for that percentage of laundered drug profits which make their way into the international reserves of the debtor countries. On the other hand, drug production could not survive except in the environment of desperation and economic crisis fostered by the murderous austerity conditions of the International Monetary Fund and other debt-collection institutions.

Exemplary of this symbiotic relationship between dope and the debt, is the matter-of-fact commentary published in the Colombian daily *El Espectador* of Jan. 18, based on an official central bank report: "The Colombian economy in 1986 had an exceptional performance, thanks to improved prices for coffee, and the increase in services income, apparently derived from the drug trade, after two years of adjustment monitored by the International Monetary Fund."

While the Colombian case is by no means unique in this way, it does serve to clinically demonstrate where the roots of Dope, Inc. lie. The Colombian economy was adapted to the exigencies of the burgeoning dope trade during the 1974-78 presidency of Alfonso López Michelsen, through the expert advice of then Finance Minister Rodrigo Botero Montoya (today, an executive vice-chairman of the pro-drug legalization Inter-America Dialogue). A drastic reform of the country's taxation system was undertaken, facilitating an explosion in speculative investment, and the infamous "sinister window" (*ventanilla siniestra*) was created at the central



Donald Regan's Merrill Lynch: named by the President's Commission on Organized Crime for drug-money-laundering.

bank to accept "service" dollars for pesos—in any amount—with no questions asked as to origin or owner.

The most obvious beneficiary of the new tax changes was the Grancolombiano Group, the largest financial entity in the country headed by López Michelsen's cousin, banker Jaime Michelsen Uribe. During the first six months of 1976 alone, the assets of the Grancolombiano group tripled as Colombia's first drug "bonanza" (marijuana) took off. Although never openly charged with links to the drug trade, the Grancolombiano "Octopus," as it was affectionately known in Colombian circles, was known to be up to its neck in dirty financial practices.

After several public scandals surrounding the Grancolombiano's asset-stripping and raiding practices in the Colombian business world, the government of then-President Belisario Betancur decided to call a halt to the group's orgy of economic destruction. In a private session with the President on Dec. 31, 1984, the all-powerful head of "The Octopus" was presented with an array of potential charges against him, and asked to resign his Grancolombiano posts. By New Year's Day, Jaime Michelsen, his family, and most of his Grancolombiano vice-presidents were in Miami, fugitives from Colombian justice. In July 1985, the first hard evidence of Michelsen's links to Carlos Lehder's drug-trafficking fortune came to light—but has yet to be officially added to the outstanding warrants against the fugitive banker.

Soviets, Western Trust set Moscow extragavanza

by Konstantin George

In Moscow, on Feb. 14-16, Soviet leader Mikhail Gorbachov staged an unparalleled international "Conference on Peace." According to Radio Moscow, over 850 Westerners, from the United States and Europe, ranging from banking and industry leaders, to West German Green Party national-Bolshevik "peace movement" activists, to a sordid crew of Hollywood actors and actresses, had accepted Moscow's all-expense-paid invitation.

Opening as *EIR* went to press, this was not your run-of-the-mill Moscow "peace" conference. Aside from the novices and comic-opera "entertainers" present, what occurred was a "Central Committee" meeting of the Russian elite, State and Church, and the representatives of the liberal, pro-Moscow, Western policy-making elite, known in shorthand as the "Trust." The conference represents, with full publicity, Gorbachov's opening to the Western "Trust."

Invited leaders of the Western "Trust" include, co-founder and funder of the Trilateral Commission David Rockefeller; Donald Kendall, also a Trilateral Commission member, chairman of Pepsico, and a leader of the U.S.A.-U.S.S.R. Joint Committee on Trade; David Packard, owner of the huge California electronics firm, Hewlett-Packard. Along with Armand Hammer and the late Averell Harriman, this group constituted the gray eminences behind the Kissinger-Nixon era "first phase of détente" policy of accommodation with the Soviet Union: an era highlighted by the SALT and ABM Treaty sell-outs to Moscow, where the conditions were created for Moscow's drive for strategic military superiority.

Europe was sending no less a "star-studded" Trust delegation. Among the European Trust figures expected in Moscow were Jean-Baptiste Doumeng, France's "Red Billionaire" in agriculture and food processing. Doumeng, a confidant of Gorbachov for 20 years, has been the architect, and chief financial beneficiary, of the vast EC bargain-basement-price surplus grain and butter sales to the U.S.S.R. Joining Doumeng from France, would be Jean-Maxim Levèque, di-

rector of Crédit Lyonnais, one of France's largest banks. From Italy, leaders of the big state-owned corporations were expected, and another probable attendee was Fiat owner Gianni Agnelli. From Germany, a veritable Who's Who of banking and industry was expected to make the pilgrimage to Moscow.

The conference was to consist of five panels:

1) **Economics**, chaired by the president of the Soviet Chamber of Commerce, Yevgeni Pitovranov, and the former head of the Soviet State Bank, Alkhimov. The agenda announced by the Soviets was: The role of the banking system and the world debt crisis; Disarmament and economic security (observers are already dubbing this panel, "Western disarmament and Soviet economic security"); Perfecting economic relations with the Soviet Union (which will include extended talks on Western-Soviet joint ventures). Yevgeni Pitovranov, the panel's chairman, is a KGB general, a fact well known to Western intelligence.

2) **Science**, chaired by Yevgeni Velikhov, vice president of the Soviet Academy of Sciences. This was to focus on upgrading the anti-SDI campaign.

3) **Culture**, chaired by Vladimir Karpov, chairman of the Soviet Writers Union, under the lofty title, "The Role of Culture in Defending Civilization and Human Values." Its real aim is to work out expanded operations against forces and groups in the West that Moscow wants removed from the scene. This was signaled by Karpov in *Izvestia* on Feb. 4, when he wrote that the panel would focus on the question "How enemy stereotypes are created."

This panel will include figures from Soviet publications such as *Literaturnaya Gazeta* and *Sovetskaya Kultura*, which have been in the forefront of printing slanders against U.S. presidential candidate Lyndon LaRouche. Also invited were riff-raff from Hollywood, including Gregory Peck and Shirley MacLaine, who were active in the "Hollywood mafia" campaign to defeat the LaRouche-endorsed anti-AIDS ref-

erendum, Proposition 64, in California's November elections.

4) **Social Policy**, chaired by A. Kislov, deputy director of IMEMO.

5) **Religion**, chaired by Yuvenali, the Russian Orthodox Church Metropolitan of Krutitsky and Kolomna, who described this panel as a "roundtable of religious activists," including Christians, Buddhists, Muslims, Jews, and Shintoists.

The conference proceedings were closed to the press. The panels are, however, but one part of the event. Far more important were the Moscow-"Trust" discussions in the corridors, between panels, and after the "workshops."

The Kremlin's decision to hold this "Trust" gathering reflects recent decisions taken by the Russian leadership that now the time is ripe, and it is imperative to play all cards to decouple Europe from the United States. The timing has to do with the debate in the United States over deployment of the SDI. Hardly a day goes by without a bitter, angry Soviet radio commentary or article (military or civilian), denouncing Reagan for having followed Weinberger into "early deployment."

Gorbachov and his top foreign policy advisers, Dobrynin, the Central Committee Secretary in charge of the CC's International Department, and Alexander Yakovlev, Gorbachov's propaganda "czar," were adamant, during the Feb. 1-6 Moscow visit of the Council on Foreign Relations delegation, led by Henry Kissinger and Cyrus Vance, that all possible action had to be taken in the United States to kill the Weinberger-Reagan drive for SDI deployment. Vance stated this quite candidly upon his return to the United States, when he declared that Reagan's plans for early deployment "came up time and time again" in the talks with Gorbachov and other Kremlin leaders.

The post-German election context

A short chronology of events leading up to this Moscow "Trust" conference will explain Gorbachov's confidence in making the grand opening now. The Jan. 25 German national elections resulted in a victory for the liberal FDP appeasement party of German Foreign Minister Genscher. On Jan. 26, Radio Moscow hailed "Genscher's victory." Genscher on the same day announced that the new government's policy statement would contain the elements of a European "East-West security partnership" that he had discussed with Mikhail Gorbachov in Moscow in July 1986.

On Feb. 1, Genscher, in a speech at the annual international symposium in Davos, Switzerland, urged the West to grant all possible economic assistance to ensure the success of Gorbachov's economic modernization policies. Both German and non-German European industry sources have stressed to *EIR* the vital coordinating role being played by Genscher's foreign ministry in organizing for the Feb. 14-16 Moscow conference.

The Moscow conference will occur in the midst of a mobilization by all European appeasement channels against the SDI. Written demands for a U.S. "strict adherence" to the ABM Treaty (featuring non-deployment and a ban on testing in outer space), have been flooding Washington. The protesters include British Prime Minister Thatcher and Foreign Secretary Geoffrey Howe; West German Chancellor Helmut Kohl and Foreign Minister Genscher; and Volker Rühle, deputy chairman of the Christian Democratic parliamentary group, a leader of the CDU's "Moscow Faction," to name a few.

The Soviet plan for springtime Russian-European summitry to follow up the conference is already well advanced. Thatcher will be visiting Moscow, and Gorbachov will be arriving in Italy. For Germany, Chancellor Helmut Kohl will be bypassed. On Feb. 10, Soviet foreign ministry spokesman, Gennadi Gerassimov, in a "guest" article for the mass circulation daily *Bild Zeitung*, invited one of the leaders of the "Trust" in the German Protestant Church (EKD) elite, West German President Richard von Weizsäcker, to Moscow.

Focus on Germany, the key to Europe

The Moscow "Trust" conference was to host a very heavy, top-level West German representation from banking and industry. Every German firm with extensive East-West dealings was to be represented, including the bosses of West Germany's two largest commercial banks, F. Wilhelm Christians of Deutsche Bank, and Wolfgang Roller of Dresdner Bank. Roller is also the newly elected president of the German Banking Association. From industry, the board chairmen of: the natural gas utility Ruhrgas (Klaus Liesen), the recipient of Soviet natural gas; Mannesmann (Werner H. Dieter), the steel giant which exports wide-diameter steel pipe to the U.S.S.R.; Salzgitter (Ernst Pieper), the state-owned steel company; Ferrostaal (Hans Singer); Schloemann-Siemag (Heinrich Weiss), a major engineering firm, specializing in delivery of turnkey plants; and Kloeckner (Joerg A. Henle), another plant and equipment-manufacturing giant.

Also attending would be two of West Germany's own "Armand Hammers," Otto Wolff von Amerongen, the president of the "East Committee of the German Economy," and Berthold Beitz, long-time director of Krupp, now chairman of the Krupp Foundation. In short, everyone and anyone who could be considered the banking and corporate side of the German "Trust," was expected in Moscow.

Look for a great deal of favorable Western media publicity, praising Gorbachov's "openness," "reforms," and so on, in the endless glowing commentaries during and after the Moscow extravaganza.

The one who will gloat the most is Gorbachov. Never have so many high-carat "useful fools" arrived at the Moscow imperial court on one occasion.

'Repentance' film signals great purge

Raisa Gorbachova's cultural mafia is at work again, preparing Russians for the war-plan transformation of the Soviet economy.

Party boss Mikhail Gorbachov's talk about "democratization" is nothing more than stating the mechanism by which the remnants of the Brezhnev party apparatus will be removed by 1988. Under Gorbachov's rule, the broadest *chistka* (purge) in the U.S.S.R. since Stalin has occurred, and the final act is now set to begin.

One indisputable sign was the premiere of the film, *Pokayanie* (Repentance), in Moscow's Rossiya Theater. The film, the work of Georgian director Tengiz Abuladze, deals with the terror under Joseph Stalin. Before being released to the Russian public, the film was shown to small elite groups and select foreign audiences, and had been playing in Soviet Georgia. Roy A. Medvedev, a "dissident" Soviet historian on the Stalin period, who saw a preview, said: "The release of this movie will be the most important event in Soviet cultural life in at least a decade."

The movie is the story of one Varlam Avaridze, who bears striking resemblance (with a small black mustache, pince-nez, and leather suspenders) to Lavrenti Beria, who ran Stalin's secret police.

According to film world sources, the film's release was decided on by Politburo members Yegor Ligachov and Eduard Shevardnadze, the former KGB chief and party boss in Georgia. It was timed with big shake-ups in the Interior Ministry and the KGB in January, in the same week as a plenum of the party Central Committee. After the plenum, the Soviet government announced the arrest of Brezhnev's son-in-law, Yuri Churbanov, former First

Deputy Interior Minister. Churbanov, 50, purged for "bribe-taking" two years ago, will now go on trial, facing the death penalty.

The coming KGB shake-up was signaled in *Pravda* on Jan. 8, when KGB boss Viktor Chebrikov announced the sacking of a senior Ukrainian KGB official for "unlawful actions." Chebrikov's speech to last year's party congress, warmly praised by Gorbachov, was the first by a serving KGB chief. The Interior Ministry purge began a year ago when Gorbachov protégé Aleksandr Vlasov took over, replacing Vitali Fedorchuk. Recently, Vlasov told the youth paper *Komsomolskaya Pravda* that he was removing "crooked militiamen."

The film is a clinical example of manipulating mass psychological reactions by using the Stalin image. For a Russian audience, the cathartic effect of "dealing honestly" with the wrongs of the past creates emotions of hope and "faith" in the people's present "Little Father," Mikhail Gorbachov. Such films are invaluable to promote the coming purge of inept and corrupt bureaucratic dead wood, denounced by Gorbachov at the plenum for embodying the "thinking of the 1930s and '40s."

Abuladze's film, made in 1984, was promoted after Abuladze's close friend Elem Klimov was elected to chair the Filmmakers' Union last fall. On the personal initiative of Gorbachov's wife, Raisa, director Klimov, and other leading Soviet artists and poets were enlisted into Raisa's Soviet Culture Foundation to rid the cultural sphere of the old guard. Klimov, Yev-

geni Yevtushenko, Andrei Voznesensky, Vladimir Lakshin, Chinghiz Aitmatov, and well-known "anti-Stalinists" Sergei Zalygin and Georgi Baklanov, editors of *Novy Mir* and *Znamya*, all have been assigned to lift the taboo on publicizing the crimes of the Stalinist past.

The first review of the film *Pokayanie* in the Russian press (before its mass release) was in the Nov. 30, 1986 issue of the weekly *Moscow News*. Literary critic Lakshin—himself purged from *Novy Mir* as a liberal over 15 years ago—wrote: "I feel that words fail me to describe this work of art that is bound to become a *catharsis* for many." Indeed, such a film cuts deep into the Russian psyche. Stalin's terror touched every Russian household in one way or another.

A commentator for the West German Hessische Rundfunk, after the Moscow premiere, said the high point of the film was the scene when the body of the buried dictator was exhumed by the People. For anyone knowing Russian history, he said, the message was clear: Russian soil, metaphorically speaking, is "sacred soil" and must not be polluted by the evil this dictator represented. "Holy Russian soil stands for the will of the people."

On Feb. 2, Radio Moscow concluded a long commentary on *Pokayanie*: "The West only wants the film to be about Stalin. However, for us the film has a much wider significance. Our world is threatened by a crisis . . . that is only comprehensible to those authorized to take great universal decisions."

Gorbachov, the new "Czar," is taking such "great universal decisions." At the plenum, Gorbachov called for an Extraordinary Party Congress in 1988—the mystical 1,000th anniversary of the Russian Church.

European peaceniks plot split from U.S.

by Dean Andromidas

In Amsterdam on the weekend of Feb. 14, the **European Network for East-West Dialogue** convened a private meeting to map out a campaign to steer the peace movement into mobilizing to split Europe from the United States, and to unify Eastern and Western Europe under Soviet rule. The meeting, though less ostentatious, is the "independent" counterpart to Secretary General Mikhail Gorbachov's international peace extravaganza that brought nearly 1,000 Western businessmen, scientists, and political figures to Moscow the same weekend.

Parallel to Gorbachov's new line of "the common house of Europe," the group's policy document states that the "reproduction of the enemy image on both sides" is the big obstacle to East-West détente, and combating the "enemy image" is the main task in seeking a new era of détente. The stress on "enemy image" echoes comments by Gorbachov to a delegation of American policymakers, including former secretaries of state Henry Kissinger and Cyrus Vance recently in Moscow, when the Secretary General warned of forces in the United States who would be "manipulating the enemy image," to bring about hostility to the Soviet Union.

The European Network for East-West Dialogue was founded in July 1984 at the third **European Nuclear Disarmament (END)** convention in Perugia, Italy, as a first concrete step to bring the West European peace movement in direct collaboration with the so-called democratic opposition of the East European states. Its secretary general and initiator is Dieter Esche of the **East-West Dialogue Initiative** of Berlin (West) and Paris, who is also a European parliamentarian of the Green Party.

Among its supporters is a full spectrum of activists and operatives among the international peace movement, far-left organizations, and terrorist support apparatus including: West German Green Party leaders **Petra Kelly**, **Gerd Bastian**, and **Otto Schily**, who are leading a campaign of terrorism and violence to pull West Germany out of the Alliance; **Peter von Oertzen**, West German Social Democratic Party ideologue; Russian Count **Ignatiev**, president of **Science for Peace of Canada**; and spokesmen of the "democratic opposition" groups such as Czechoslovakia's **Charter 77** and **Listy** group, Poland's **KOS** and **Solidarnosc**, and Moscow's

own Group for the Establishment of Trust between the United States and the Soviet Union.

Its formation heralded a shift in the peace movement from the single issue of nuclear disarmament, i.e., removal of missiles from Western Europe, to broad-based political campaigns seeking the full decoupling of Europe from the United States. This perspective neatly complements ongoing schemes of such figures as Kissinger, West German Foreign Minister Genscher, and Secretary General Gorbachov for the unification and neutralization of the two Germanies in a Europe politically, economically, and militarily dominated by the U.S.S.R.

Though the Amsterdam meeting comprised no more than 30 or 40 individuals, it stood for a group of institutions, foundations, and organizations that have created and guided the so-called peace movement over the last decade. This includes large chunks of the **West German Protestant Church**, the **Dutch Inter-Church Peace Council**, comprising all the churches of the Netherlands and elements of the Church of England, and other religious organizations that keep up manifold relations with East European and Russian institutions. The Geneva-based **World Council of Churches**, perpetrated the Moscow Patriarch of the Russian Orthodox Church on behalf of the Soviet intelligence service, is only the best-known point where these institutions come together. The religious organizations are joined by a network of peace research institutes like **Stockholm International Peace Research Institute**, the **Frankfurt Institute for the Study of Peace and Conflict**, and the **Polemologische Instituut** of Groningen, the Netherlands.

At the end of January, the **International Peace Cooperation Committee (IPCC)**, the umbrella group of all the major national peace movements of Western Europe and the United States, held a coordinating meeting of select leaders from its member organizations, including the **Campaign for Nuclear Disarmament (CND)**, the **American Nuclear Weapons Freeze Campaign**, and the **Dutch Inter Church Peace Council (IKV)**. Here the secretary general of the IPCC, Wim Bartels of the IKV, outlined a policy parallel to that of the East West Network, calling for "getting East-West détente moving in the context of the Helsinki Accords."

One of the key players attending the Amsterdam meeting and instrumental in drawing up its policy memorandum, is **Mary Kaldor Robinson**, editor of the *European Nuclear Disarmament Journal*, official mouthpiece of the European peace movement. According to a co-worker at the University of Sussex **Science Policy Research Unit**, the central purpose of her Jan. 26-Feb. 6 trip to the United States, was to urge the American peace movement to mobilize for the withdrawal of American troops from West Germany and for a "decoupling of U.S.-European relations." At the same time, this individual stressed, Kaldor would be mobilizing in Europe for the "coming together of East and West Europe."

She is working with European and American "peace

movement” spokesmen on a program for “European dealignment,” whereby Europe would “come to see that it does not need the United States,” and for a “new détente” bringing East and West Europe together, according to Sussex sources.

The Helsinki Memorandum

The Amsterdam meeting discussed implementation of its policy document: *Giving Real Life to the Helsinki Accords*, or simply the *Helsinki Memorandum*. The document, calling for action on East-West European economic and cultural cooperation and human rights, has already been presented to the delegations of the Conference on Security and Cooperation in Europe (CSCE) where they hope to get support for its ideas to be introduced into ongoing negotiations. The CSCE is the international convention which in 1976 adopted the so-called Helsinki Accords on human rights and international security. It has convened in Vienna, Austria since last November.

The memorandum’s thrust is to force Western Europe to look East, to see Europe politically and culturally in terms of Gorbachov’s “Common House of Europe,” as different from the United States. “European identity is based on a collective memory of shared history and culture. The roots of European identity go much deeper than the recent historical events of the last 40 years or even of this century. Europe is more than the Western European Community, a Western or an Eastern bloc.” The memorandum stresses the need for “dialogue” with the East and the dropping of “enemy images,” “concepts” that have become very popular among Soviet policy spokesmen.

The memorandum calls for setting up special funds and institutions to reinforce the idea of Europe from the Atlantic to the Urals, in part proposing:

- “The establishment of a fund to be raised and administered by non-governmental groups and organizations for supporting East-West holiday camps for music, sports, ecology. . . .”
- “The establishment of an all-European cultural foundation to promote cultural exchange on all levels and to finance and organize common projects . . . the active participation of artists and writers.”
- “Joint scientific and literary projects to investigate and overcome prejudices and enemy images.”
- “Exchange of television and radio programs.”
- Citing the Chernobyl disaster, in order to help to phase out all nuclear energy and to facilitate East-West economic cooperation, it calls for “formation of a development fund to support programs for improving economic structure in industry, agriculture, and transport and for measures to protect the environment.”
- “Exchange programs for scientists and teachers. Twinning of scientific and cultural institutions from Eastern and Western Europe whereby non-official and self-organized initiatives should not only be allowed but encouraged.”

Rights panel puts violations against

by Marianna Wertz

Three leading European attorneys, specialists in human rights law, conducted a fact-finding visit in the United States, during the week of Feb. 9 to 14, on the invitation of the newly formed International Commission to Stop Soviet-Style Human Rights Violations in the United States. Lennart Hane, a Swedish attorney, and Victor Girauta y Armada, attorney from Madrid, Spain (both members of the International Commission), together with Jacques Mauro, a Paris attorney and member of the Council of the International Bar Association, were invited to the United States to investigate the ongoing violations of human rights against presidential candidate Lyndon H. LaRouche and supporters of LaRouche’s policies in this country.

The principal subject of the attorneys’ tour was to observe the appeal hearing in the case of Lewis du Pont Smith, on Feb. 12 in the Superior Court of Pennsylvania. Du Pont Smith, a 30-year-old history teacher and heir to the du Pont fortune, is appealing an outrageous lower court ruling, in which he was declared mentally incompetent, in a proceeding initiated by his parents. He was subsequently stripped by the court of his right to vote, to marry, and to handle his own financial affairs, for the sole reason of making financial contributions to organizations associated with Lyndon LaRouche.

Girauta, speaking in Washington, D.C., at a press conference held on February 11, to launch the attorneys’ tour, called attention to the international importance of the du Pont Smith case: “The du Pont family is very well known in Europe. Europeans are expecting us to make our report on this case.” He also commented, that the denial of Smith’s fundamental constitutional rights, “is the worst damage you can do to a human being.”

At the same press conference, Mauro, who met du Pont Smith in France in December of last year, said, “When you speak with Mr. du Pont Smith, it is difficult to understand how you could say he has a ‘disorder of character.’ I could make a joke about it: personally, I would be more interested in younger women than older ladies. That could be called a ‘personality disorder.’ But does that mean that the court should control my money?” Mauro also noted that in the last

world spotlight on LaRouche

century in France, "We had many cases like Lewis du Pont Smith, based on the fact that there were big fortunes, and influential families. Now it is no more possible to have such cases in France."

Also speaking at the opening press conference were Commission members Dr. K.D. Sharma and Ricardo Martín. Sharma, a native of India, is an economist and adviser to S.C. Birla, a member of the Supreme Court of India. Martín is the former deputy attorney general of Peru. Both men expressed their "honor" at the invitation to work with the Commission, and warned that, if the injustices being perpetrated against LaRouche and his associates are allowed to stand unchallenged in the United States, then developing nations "stand no chance."

Martín pointed to the bitterly ironic fact that associates of LaRouche have been held for weeks in jail, without bail, and marched before the international media in handcuffs, charged with "obstruction of justice," while Peruvian narco-terrorist Carlos Lehder was never handcuffed. Speaking "in the name of the South American people," Martín said, "We are concerned about the attacks on Lyndon LaRouche, because we know, as victims of narco-terrorism, that these attacks are the methods of narco-terrorism. . . . Our nations in Latin America see America as the mother of democracy in the world. If these methods are used in the U.S., what do we expect for our countries?"

Formed after raid

The International Commission was formed shortly after the police raid against the offices of firms associated with LaRouche, in Leesburg, Virginia, on Oct. 6 and 7, 1986. The Commission's Founding Declaration states, "It is the hue and cry, from many parts of the world, of supporters of international economist and presidential hopeful Lyndon H. LaRouche that has given rise to this commission. It is the contention of these supporters that the political operations and publication efforts of Lyndon H. LaRouche and his associates have become the subject of one of the greatest political witchhunts of this century."

The Declaration cites six leading areas of "potential hu-

man rights violations" against LaRouche and his associates, as subject for investigation:

1) The "overkill use of force in the Leesburg raid," in which "400 FBI agents and police, with submachine guns, attack dogs, helicopters, armored vehicles, and bomb-detonating equipment raided the Leesburg, Virginia commercial headquarters of associates of presidential candidate Lyndon H. LaRouche. . . ."

2) Several of LaRouche's associates who were indicted for "conspiracy to obstruct justice" were held without bail for weeks, while "murderers, drug pushers, and rapists are regularly freed on bail. . . ."

3) "Financial supporters of Lyndon H. LaRouche and his associates have been subjected to political harassment. . . ."

4) "LaRouche and his associates are being tried in the press. . . ."

5) "All of the indictments that have been handed down and the raids themselves have been preceded by a barrage of press slanders and calls for Justice Department action against LaRouche and his associates in the Soviet media. These actions constitute Soviet interference in American judicial affairs."

6) "These violations . . . represent but the tip of the iceberg of human rights violations caused by the application of KGB-style justice in the United States." Other cited violations include the cases of Dr. Arthur Rudolph and John Demjanjuk, targets of Soviet-inspired Office of Special Investigations witchhunts; the FBI practice of targeting individuals, rather than crime, as exemplified in the Abscam and Brilab cases of the early 1980s, and more recently in the case of Nevada Federal Judge Harold E. Claiborne.

According to the Founding Declaration, the Commission has undertaken to establish a board as "an impartial and independent standing body, that will review the cited areas of concern, and any other matters, brought before the board, that pertain to the areas of human rights violation and KGB-style justice in the United States and abroad, as defined by guidelines for individual and institutional liberties and freedom embodied in the United Nations Charter, the Helsinki Accords, and the American Declaration of the Rights and Duties of Man." The Board will also establish "a Tribunal of judges, lawyers, and other experts in jurisprudence, who shall periodically hear evidence and review matters that pertain to human rights violations. The Tribunal will issue a verdict, which has the weight of moral judgment, on human rights matters brought under its purview."

The three attorneys' tour, culminating with meetings with legal and government officials in Washington, D.C., was the first major project of the Commission. Upon their return to Europe, they plan to make a full report of their findings to the International Bar Association, and to the international press. Their purpose in reporting their findings, as attorney Girault pledged, "is to force whoever is not respecting justice to do so."



To enforce the Constitution, Americans must work at it

Brigadier General of Reserves Baron Friedrich August Freiherr von der Heydte, a former deputy in the Bavarian State Parliament and member of the Christian Social Union Party (CSU), is author of the book Modern Irregular Warfare recently published by the New Benjamin Franklin House. From 1951-53 he held a chair of Constitutional and International Law at the University of Mainz; from 1953-74 he held a chair of Constitutional and International Law at the University of Würzburg. The following interview was conducted on Nov. 3, 1986, when the "International Commission to Stop Soviet-Style Human Rights Violations in the United States" had just been established.

EIR: What are the implications for our Western legal system of the events in Leesburg on Oct. 6 and 7 and thereafter?

Heydte: Here we have the same problem as that posed for the Federal Republic: Shall we in the West attempt to establish possible relations with the Soviet Union or not? As you know, the Social Democratic Party (SPD) is advocating here in the Federal Republic more or less friendly relations that would then be at the cost of the United States and our sovereignty.

EIR: On Wednesday Oct. 29, press conferences took place in Washington, Bonn, and many other cities, to officially announce the formation of an International Commission of Inquiry that would initially concern itself with the human-rights violations committed against supporters and associates of Lyndon H. LaRouche. At the press conference at the Washington, D.C. National Press Club, the endorsement from S.C. Birla, attorney for the Supreme Court in India and secretary of the All-India Bar Association was read. Birla raised an important point: He said that up to this point the existence of the United States as a constitutional state was seen in the Free World as a guarantee for the maintenance of human rights. . . .

Heydte: If we look at the European Convention for Protection of Human Rights of 1953, or the General Declaration of Human Rights of the United Nations of 1948 . . . we see that all these declarations go back to the American Constitution. Unfortunately, if you will forgive me, I must put this harshly,

the American Constitution is no more considered by Americans at present than the Human Rights Convention is by the Europeans. Enforcing the fundamentals of the Constitution is a question of having the intention to work at it. And I believe that this intention is lacking.

EIR: In all democracies, the fundamental law is rooted in the principle that violation of any personal rights must not be allowed except when based on a constitutional procedure. In early October these and other basic constitutional principles were blatantly violated with regard to the organizations friendly to LaRouche.

Heydte: If such violations of the law took place, then this would undoubtedly entail a danger for the rest of the Western world. Unfortunately in the United States, there is merely a residual awareness and consciousness of democracy, and this primarily with the [sections of the] American population to whom the contents of the American Constitution are still a living memory.

EIR: If we consider the commercial and political background of the individuals who are responsible for the "official" proceedings in the United States against the organizations friendly to LaRouche, what comes to light are connections in part to corrupt circles, to banking circles that have dealings with drug money, connections that show clear links to left-leaning interests, in part connections to Chinese-Soviet channels. Simultaneously, these persons are hiding behind the procedures of the judicial system. What happens to the separation of powers in this respect?

Heydte: This certainly means a violation of the separation of powers. We must not confuse the democracy of today with the democracy of the age in which the Americans received their freedom. The American democracy at the end of the 18th century is for us Europeans still an unattainable ideal. Since that time, this democracy has changed so much, however, that I sometimes wonder whether we don't have two totally different political conditions being designated with the same word.

EIR: Many who fear that are like the political supporters of

LaRouche, demanding a return to the principles of the Founding Fathers of the American Republic.

Heydte: That is exactly what interests me so much. I am very glad that there are still people in America who have a feeling for these values.

EIR: Alexander Hamilton wrote in one article in *The Federalist Papers*, that the judicial branch, in comparison to the legislative and the executive, should be the weakest. The legislative branch, Hamilton said, controls the money, since they make decisions on the economy, and the executive, the means of power (military and police). All this is denied to the judicial branch. This situation portrayed by Hamilton no longer exists today. As we can see in the Federal Republic in many judicial decisions that have gone in favor of violations of the law such as, for example, use of duress committed by members of the so-called peace movement, the judiciary has a monstrous influence, not least on public opinion.

Heydte: Yes, that's right.

EIR: In the United States, it has been shown that these proceedings against LaRouche would not have been possible without the media.

Heydte: Here, a "fourth" estate has grown up that exercises power that is in nowise constitutionally established.

EIR: What can be done about that?

Heydte: If there were something to do about that, I would first do it in my own native country. Because of commercial developments in the major nations, a policy motivated by purely utilitarian considerations is now dominant. That is also true in the United States.

EIR: At the press conferences on Oct. 29, there were, among others, leading representatives from Ibero-America, for example, Ricardo F. Martín, the former deputy attorney general of Peru and a member of the ruling party, the APRA; he said that, previously, the United States was the hope of the world, and that now this hope rests entirely on Lyndon LaRouche.

Heydte: This confirms once again that the tradition of the American Founding Fathers is at least supported in foreign countries. There it is still more alive, far more than in the United States itself. I am convinced of that.

EIR: Leading spokesmen for the Soviet Union increasingly demanded from August and September and finally on Sept. 30, a few days before the events in Leesburg, that U.S. authorities, above all the IRS, should take action against LaRouche and his supporters. Less than a week later, exactly that was done. Isn't that a violation of the CSCE [Helsinki] Agreements?

Heydte: Yes, certainly. First of all, it is a violation of the principle of non-interference in the affairs of a sovereign nation, not to speak about the human rights question. In any case, it should be investigated. But in such cases it is always

extremely difficult to produce a proof, because the Soviets will endlessly invent subterfuges. Nevertheless this case should be put on the agenda at the next conference.

Let me say in closing, that the more American elections have become a question of who has the most money, the less American democracy has remained. That is like a game in which everyone deals from the bottom of the deck; whoever deals from the top is considered stupid.

EIR: The scandal of the finances of Mondale, Geraldine Ferraro, etc. was very instructive in this regard.

Heydte: That is something that is to me personally totally incomprehensible, how this can possibly be tolerated in society and politics.

With us, there are still some people who have a sense of political shame. This sense of political shame is really minimal in the United States, given the experiences I have had in America. Forgive me, that I put it so harshly.

EIR: The openness with which political corruption is practiced in the United States is certainly very difficult for a European to understand.

Heydte: Yes, and the openness with which things are done that are really undemocratic, to say the least. But for your efforts, I really wish you every success!

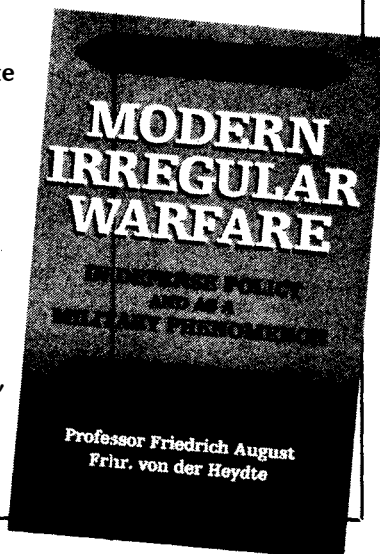
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Greens end 'ceasefire' with the SPD

The fall of Hesse's coalition kicks off the Green campaign against the bogus issue of the "West German nuclear bomb."

The gains the German Green Party made in the national elections on Jan. 25 have helped the most extreme wing of the Green movement. The anti-nuclear currents of the Social Democrats (SPD) voted for the Greens this time, and the Green ultra-radicals took this as proof that confrontation with the Social Democrats paid off, while alliance with them didn't.

For the radical anti-nukeniks among the Social Democrats, the election losses were no less welcome, since they could be blamed on the SPD party moderates. The bid for party chairmanship, which Oskar Lafontaine, spokesman of the radical anti-nuclear current of the SPD, announced the day after the elections, signaled the end of "moderatism" in the party.

While before the Jan. 25 elections, Lafontaine was considered spokesman of a strong party minority, the election defeat of SPD chancellor candidate Johannes Rau made Lafontaine the most powerful of the crown princes in the party hierarchy. With NATO adversary Lafontaine, radicalism against U.S. atomic weapons and nuclear power alike takes full control of the Social Democrats now.

This had an immediate impact on the "red-green" coalition government between SPD and Greens in the state of Hesse. The state hosts, in the city of Hanau, the nation's main producers of nuclear fuels. The Greens and the radical anti-nuclear faction of the SPD chose to undermine all of the nation's nuclear power sector, by demanding

the closing of the three nuclear companies in Hanau—RBU, Alkem, and Nukem. As Hesse Gov. Holger Börner wouldn't go for that, his coalition with the Greens was already close to collapse at the end of 1986.

The Jan. 25 election results were the coup de grace.

One week after the elections, the Green Party caucus in the Bonn parliament elected Thomas Ebermann its leader. He is a spokesman of the Green "fundamentalists" and a leading figure in the pro-terrorist party section of the city of Hamburg. Hamburg has seen Germany's bloodiest street riots between Greens and the police, the last ones leaving close to 100 policemen injured in riots before Christmas 1986. Ebermann considers such riots and sabotage a useful lever to force radical Green politics through the parliaments.

Moreover, Ebermann has made the bogus issue of the "West German nuclear bomb" an upfront topic on the Green agenda. His election to be Bonn caucus leader signaled that the riot faction would determine Green politics in the next future. The days right after Ebermann's election were characterized by Green ultimatums to the SPD coalition partners in the state government of Hesse: Either all the permits for the three Hanau companies were canceled instantly, or the coalition would break. The blackmail of the Green ultimatum was magnified by similar demands from the radical SPD anti-nuclear current in Hesse.

On Feb. 8, a special convention of

the Hesse Greens renewed the ultimatum in a resolution calling for an end to the Hanau companies, as allegedly "producing plutonium for atomic bombs." The Hesse state minister for environmental affairs, Josef "Joschka" Fischer of the Greens, advertised the end of the coalition government in case the ultimatum was not met by the SPD coalition partner. On Feb. 9, SPD Governor Börner decided to preempt Fischer's resignation and fired him. The Greens announced a vote of no-confidence against Börner, to inevitably lead to the collapse of the government and require new elections, as the two opposition parties, the Christian Democrats and the liberal Free Democrats, were certain to vote against the governor.

The next move in this cabal was mounting internal SPD party pressure on Börner himself, to let someone else take leadership of the Hesse state section of the party. On Feb. 10, Börner resigned from the SPD state section chairmanship, and from the position of slate leader in the April 5 early elections as well.

The SPD state executive immediately nominated Hans Krollmann, a Social Democrat more friendly to the Greens, to replace Börner in both functions. Krollmann's first public comment was: "I still see a basis for cooperation with the Greens."

This statement encouraged the Greens to renew their ultimatum for the shutdown of the three nuclear fuel producers in Hanau. On Feb. 11, rioters ransacked the information center of the three Hanau companies, to underline that the Green movement's "cease-fire" with the SPD is over. All of a sudden, the state of Hesse, which was the scene of bloody mass protests, anti-nuclear violence, and sabotage between 1980 and 1983, is facing new trouble.

Palme murder: back to square one

A cosmetic reorganization of the investigation might save some faces, but will it help catch the murderer?

A two-week brawl over the Palme murder inquiry, pitting Stockholm Police Chief Hans Holmér against a group of public prosecutors disagreeing with Holmér's bumptious conduct of the investigation, resulted in a reorganization on Feb. 4 of the unsuccessful murder hunt. A blatant cover-up of tracks leading to Moscow had combined with political abuse of the investigation, to create a situation in which the government's credibility was at stake unless it was seen intervening to "establish law and order" again.

The painful public controversy had been sparked by the miserable failure of Holmér's Jan. 20 police raid against the Stockholm offices and homes of the Kurdish Workers' Party (PKK), a terrorist group operating in Sweden. The grand police-versus-prosecutor quarrel fueled strong calls for Holmér to resign from the investigation, the "PKK track" to be dropped, and the 145-man police task force to be reduced to a caretaker group of 20 men. Yet none of those demands was met in the reorganization finally announced by the government.

After prolonged crisis sessions on Feb. 4, the government was pressured into adopting a cosmetic reshuffle, saving Holmér's face, leaving him in a central leadership position, in charge of the investigation's "PKK track."

Reinforcing Holmér's standing, the only person to be removed from the investigation was Holmér's prime antagonist among the prosecutors, Stockholm High Prosecutor

Claes Zeime.

While the government transferred nominal responsibility for the investigation "upstairs" to Holmér and Zeime's respective bosses, National Police Chief Holger Romander and National Prosecutor Magnus Sjöberg, none of those figureheads will be directly involved in the day-to-day leadership of the manhunt.

The daily leadership, nominally, will be shared by Ulf Karlsson, department head at Romander's National Police Board, and Axel Morath, a deputy of Sjöberg, but in reality will be largely exercised by a newly created "reference group"—a troika of senior consultants drawn from the same group of people who have hitherto run the investigation: Holmér himself, his most loyal friend National Criminal Police Chief Tommy Lindström, and Per-Göran Näss from the Secret Police (SÄPO).

While ranking below Romander and Karlsson in the police hierarchy, Holmér, as Stockholm chief of police—and 1970-76 head of SÄPO—de facto remains the heaviest police official actively involved in the investigation, in terms of real resources.

Under a front-page headline, "The New Organization a Hoax," the Social Democratic *Aftonbladet* of Feb. 5 cited an unnamed member of the three-man Judicial Commission formed by the government last summer to look into the conduct of the murder probe, saying that "the reorganization is a hoax," that Romander and Sjöberg are only contributing their names, "in or-

der for Holmér not to feel like a failure."

In a six-page spread, the liberal *Expressen* of Feb. 6, using subheads like "Holmér's Threat Scared Carlsson," reported that Holmér had threatened Premier Ingvar Carlsson that, were he to be dumped from the investigation, he would also resign as police chief of Stockholm and create a scandal—no idle talk by a man who has spent 11 months compiling dossiers on everything Palme was involved in, from arms deals with Iran to love affairs with Soviet "peacenik" intelligence assets like Emma Rothschild.

The hunt for Palme's murderer is back to square one. A year has been lost already to bungling and political cover-ups, and there is little evidence that this "new start" will accomplish much else.

A national radio broadcast, "Kanalen," on Feb. 4 mooted that the "reorganized" investigation might revive early efforts to implicate the European Labor Party and U.S. presidential candidate Lyndon H. LaRouche, Jr. in the Palme murder—an effort first ordered by Soviet official Georgij Arbatov on March 1, 1986, but backfiring as fraudulent on March 19, 1986, as it turned out that the "evidence" Holmér had assembled to this effect was entirely fabricated.

One signal of Moscow's desire to revive this fraudulent "LaRouche connection," was the Jan. 26 Soviet prime time 55-minute TV feature, "Why Did They Kill Olof Palme?" which showed that the alleged LaRouche connection remains the foremost KGB disinformation track. Swedish TV announced plans to broadcast the Soviet TV feature on Feb. 27—oblivious to the political backfire created by the Kremlin's trumpeting that LaRouche is their main enemy in the West.

International Intelligence

China plays off the superpowers

A Chinese trade delegation arrived in Moscow on Feb. 8 for talks with the Soviets on an agreement to be signed later this month, the New China News Agency reported Feb. 9. As part of expanding trade relations, the Soviets have opened a branch of their ocean shipping company in Shanghai, and China has set up a similar office in Odessa.

Another Chinese delegation headed by Vice-Foreign Minister Qian Qichen arrived in Moscow the same day for talks on border disputes, the first such talks in nine years. Discussions are to center on demarcating the border along the waterways and islands in the Ussuri and Amur rivers dividing north-eastern China and Soviet Siberia.

But the Chinese still consider the Soviet Union the major threat, according to sources quoted in the European edition of the *Wall Street Journal*. "Use the barbarians against the barbarians" is the Chinese method of diplomacy between the superpowers, British diplomatic sources are quoted.

The Soviet aim is "to reduce the influence of the Americans and strengthen their position. The struggles between the superpowers in this region will become more acute," said a Chinese source.

China does want the United States to slow the Strategic Defense Initiative. "The idea in your [the U.S.] mind that you can race the Soviets into [economic] collapse is dangerous," said Zhu Ruizhen of the Institute for Soviet Studies at the Chinese Academy of Scientists. "No country can outdo the Soviet Union in enduring difficulties."

Greece sentences narco freed in Sweden

The Greek government has sentenced Stiros Riganakos to nine years in prison for drug smuggling between Holland and Sweden. Riganakos was one of Sweden's three top "heroin kings." Although sentenced to a

light prison term for heroin smuggling by a Stockholm court in 1982, he was released almost immediately.

Riganakos, who arrived in Sweden in 1969, appears to have enjoyed very high-level political protection. He was let off the hook by the late Prime Minister Olof Palme, who intervened on his behalf with the argument that he was a political refugee from the Greek military junta. Riganakos' lawyer, Hans-Göran Frank, is famous for his pro-Soviet sympathies and his work with the American deserters' movement in Sweden.

Another who intervened on Riganakos' behalf was Stockholm Police Chief Hans Holmér, who has recently come under heavy criticism for his role in covering up Soviet links to the assassination of Palme. Holmér is in charge of the "investigation" of the murder.

Israel agrees to meet with Egypt and Jordan

Israeli Foreign Minister Shimon Peres reported to the Knesset (Parliament) Foreign Affairs and Defense Committee on Feb. 9 that Israel has agreed with Egypt and Jordan on 10 points regarding an international conference to negotiate a regional peace accord. The basis for negotiations will be U.N. resolutions 242 and 338.

Among the points of agreement he enumerated:

- The conference will not be a substitute for direct bilateral negotiations, but instead should encourage them.

- The conference will have no authority to enforce a solution or to cancel any bilateral agreements.

- Following the opening of the conference, the negotiations will proceed in the framework of bilateral geographic committees, without superpower participation.

- Negotiations in one committee "are not dependent on the proceedings in another committee," that is: There will not be a united Arab delegation.

- The conference will not be convened

without prior agreement concerning rules and procedures, and concerning Palestinian representation.

Israel still differs with Egypt and Jordan over three issues: Soviet participation in the conference, the Palestinian representation, and regarding whether the conference will be convened more than once.

Moscow, German friends push 'détente initiative'

Will Mikhail Gorbachov visit Bonn in 1987? In an interview with the West German daily *Die Welt*, Novosti news agency director Valentin Falin, a former ambassador to Bonn, speculated to this effect, saying that a Gorbachov visit "might be the subject of talks during the upcoming visit of [Deputy Prime Minister] Antonov." Antonov will be in Bonn on April 2-3 for a meeting of the Soviet-West German joint economic commission.

But Gennadi Gerassimov, spokesman for the Soviet foreign ministry, said the Soviet leader had no plans to visit Germany. The Soviets would, however, he claims, like German State President Richard von Weizsäcker to visit Moscow. The initiative should come from Weizsäcker, however, since Moscow thinks "it is Bonn's turn now to make a step towards improvement of relations."

West German Foreign Minister Hans-Dietrich Genscher is willing to oblige. He "has launched a bold initiative for a new phase of détente and fresh *Ostpolitik* . . . based largely on the West offering the Soviet leader economic support for his changes," London's *Daily Telegraph* reported from Bonn on Feb. 9.

Cyprus becomes hot intelligence center

Greek Cyprus appears to be replacing old Beirut as one of the most important intelligence centers for the Middle East.

Briefly

● The Anglican Church has just appointed one Bishop Brown to be its new Bishop of Cyprus. Brown has been given an explicit mandate to "develop new bridges to Islam."

● The Church of Sweden has appointed American-born Desmond Carragher director general for its refugee-relief organization in Cyprus, *Diakonia*. Carragher, a former leader of the American deserters' movement in Sweden during the Vietnam War era, is a KGB-linked intelligence hand.

The Carragher assignment portends a new channel for terrorism into Europe. He was recently exposed for helping members of the Abu Nidal group to enter Europe in 1982, posing as "Lebanese refugees." Heading a "refugee-relief organization" in Cyprus clearly positions him to again infiltrate terrorists into Europe, under cover provided by an increasing flow of refugees from Lebanon.

East bloc leaders uneasy over Gorbachov purges

Soviet Defense Minister Marshal Sergei Sokolov arrived in Czechoslovakia Feb. 9 with a big military delegation. Radio Moscow said he and Czech leader Gustav Husak stressed the "particular importance" of "greater unity" among Warsaw Pact countries.

Husak, however, is rumored to be one of the projected victims of Gorbachov's purge policy in the East bloc countries. Others are said to be East Germany's Erich Honecker, Bulgaria's Todor Zhivkov, and Romania's Nicolai Ceausescu.

As if to confirm such rumors, the East German leadership has reacted very coolly to Gorbachov's latest "reforms." The party paper *Neues Deutschland* did not publish Gorbachov's speech at the recent Central Committee plenum, the usual practice, but restricted itself to a rather short TASS summary. News of the final Central Committee resolution appeared on page five, in an article all of 21 lines long.

When Soviet Foreign Minister Eduard Shevardnadze arrived in East Berlin on Feb.

2, not a single German Politburo member was on hand at the airport.

Western specialists think Honecker may be out by the end of the year, perhaps remaining as state president, but losing the real leadership, the post of party general secretary, to a "reformer."

Pentagon releases photos of Soviets' Viet forces

The U.S. military has photographs showing Soviet naval and air forces stationed at the expanded base on Cam Ranh Bay in southern Vietnam, and for the first time ever, officially released them to the press Feb. 9.

The disclosures were made in Australia by Adm. James Lyons, commander in chief of the U.S. Pacific Fleet. Soviets diplomats had recently denied military facilities in Vietnam.

Lyons said the photographs were taken in December 1986 and showed a total of seven piers and numerous ships and submarines berthed at the port. The facilities have "quadrupled" since the United States left Vietnam in 1975, and apart from Afghanistan, are Moscow's largest foreign deployment, giving them the capability to attack anywhere in the South Pacific.

He commented on Soviet moves to reach fishing agreements with Pacific island states: "Hogwash. The Soviets are after more than fish."

Citing the shoot-down of KAL-007 in September 1983 and other incidents, Lyons declared that Soviet behavior reflects "a fourth-century mentality. If you're going to join the 20th century then you have to join it all the way."

He identified the Philippines as the center of the struggle for the Pacific, and said of the "self-appointed experts who say we have other alternatives" to U.S. bases at Subic Bay and Clark Field, "Well, I'm telling you there are no good other alternatives. But that misses the strategic dimension of that question. If we were to withdraw from those facilities, to me, that would be totally destabilizing to the region."

● **A LIBEL SUIT** against Britain's *The Economist* by a Greek publication, *To Ethnos*, began in London the first week of February. *The Economist* is accused of libel for reporting that the Athens-based publication was created through funding from Boris Pankin, Soviet ambassador to Sweden.

● **POLISH FOREIGN** Minister Marian Orzechowski concluded a three day visit to Teheran Feb. 6. He gave President Ali Khamenii a copy of the Koran in Polish, and signed a letter of understanding for expansion of ties in political, economic, and cultural areas. Iran will export oil and some agricultural products to Poland.

● **LA CROIX**, a Paris daily, raised the alarm Feb. 9 about a possible U.S. troop withdrawal from Europe. "Now, everything is possible, the impossible included: the scenario for control of a defenseless Europe by the Soviets within three days. . . ." The article attacks Georgia's Sen. Sam Nunn, who is called a potential future defense secretary.

● **MARCUS WOLF**, a senior official of the East German Stasi intelligence service, has "resigned," his government announced. Skeptical Western sources wonder where he will turn up. Wolf has been key to Soviet KGB operations running through the U.S. Department of Justice's "anti-Nazi" Office of Special Investigations.

● **JORDANIAN ANTI-DRUG** agents seized more than a ton of hashish found in a container aboard an East German ship docked at Aqaba port.

● **THE VATICAN** has appointed a special commission, including American Cardinals, to investigate the Seattle Archdiocese of Archbishop Hunthausen. The ultraliberal Hunthausen was removed from all duties by the Vatican last year.

Is there a connection between Pollard and Ledeen?

by Jeffrey Steinberg

Shock spread from Washington to Tel Aviv when the Department of Justice announced the expected indictment of Israeli Brig. Gen. Aviem Sella and the stripping of immunity from prosecution for three other Israeli officials, including "Dirty" Rafi Eytan, for their involvement in the spy ring surrounding convicted Israeli agent Jonathan Jay Pollard. Spymaster and "wetworks" specialist Eytan, former science attaché Joseph Yagur, and former embassy secretary Irit Erb were formally notified by the Justice Department on Feb. 9 that their immunity agreement had been lifted: The three had lied to U.S. investigators in an effort to cover up the role of General Sella as the initial "handler" of agent Pollard.

The reopening of the Pollard affair, and specifically, the targeting of Eytan, opens a "second front" in the effort by a faction of U.S. intelligence to uproot Israeli intelligence's ability to interfere in U.S. national security affairs—with always disastrous consequences. Eytan is the former chief of operations of the Mossad, and went on to head the Prime Minister's Office of Terror Against Terror. Subsequently, he ran the LEKEM scientific espionage unit, which was directed principally against the United States.

With Eytan on the firing line, Prime Minister Yitzhak Shamir will shortly travel to Washington in the weakest position of any Israeli-head-of state ever on the eve of negotiations over Israel's U.S. aid package. And former Defense Minister Ariel Sharon, the would-be dictator of an Israeli garrison-state, has been severely weakened. He is Eytan's closest political associate.

Enter: Michael Ledeen

The question buzzing around Washington is: What busted up the well orchestrated cover-up of the Pollard affair? Be-

tween the State Department office of Abraham Sofaer, and the Justice Department office of Mark Richard, Pollard had successfully been pronounced a "rogue" operative. Efforts to get at the Israeli higher-ups had been suppressed for months.

According to sources contacted by *EIR*, the key development was the opening of a serious probe by Irangate special prosecutor Lawrence Walsh into the role of Michael Ledeen in the Iran-Contra mess. A thorough probe of Ledeen, these sources speculated, would reveal a direct link to the Pollard spy ring, including Ledeen's personal role in helping Pollard to get his job as a counter-terrorism consultant to the Office of Naval Intelligence. According to these sources, those Justice and State Department officials who were involved in the cover-up of the Pollard affair lost their nerve in the face of the Ledeen probe, which was bound to unravel the Pollard case and thus reveal their own obstruction of justice. They moved to save their own hides by letting the probe proceed.

In early February, the Senate Intelligence Committee released its preliminary probe into "Irangate." Ledeen's prominent role became a subject of great public attention. Sen. David Boren (D-Ok.), in a nationwide television interview with Ted Koppel, blasted White House Chief of Staff Donald T. Regan for letting "low-level" consultants and NSC officials, notably Ledeen and Lt. Col. Oliver North, dominate the President's appointment calendar while the secretaries of state and defense could scarcely grab a moment of Regan's time.

What emerged was a picture of a private, "parallel government"—Boren's term—with its own diplomatic corps, treasury, and military logistics command, independent of any constitutional checks and balances. This parallel government was producing a string of policy disasters, each accompanied

by phenomenal diversions of funds. At the dead center of this parallel government—its de facto secretary of state—was the murky figure of Michael Ledeen.

As *EIR* has reported, Ledeen, a “part-time consultant” to both McFarlane’s and Poindexter’s NSC, is suspected of working on behalf of a secret Mossad agenda to guarantee an Iranian victory in the seven-year-old Persian Gulf War—by delivering an endless supply of Israeli and American arms to the Khomeini regime. Iran’s victory was in turn intended to secure Islamic fundamentalist cooperation with a “Jewish fundamentalist” grouping inside Israel, committed to provoking a holy war against the Arab part of the Muslim world. The principal option for provoking such a war was the destruction of the Dome of the Rock, the second holiest site of Islam, located atop Temple Mount in the Old City of Jerusalem.

The Temple Mount project, has been financed by networks of Christian fundamentalists inside the United States, who have provided millions to Rabbi Meir Kahane’s Jewish underground, an underground secretly controlled by Sharon and Eytan’s circles.

Michael Ledeen’s wife Barbara, herself a full-time employee of the Department of Defense’s foreign munitions sales office and an alleged Mossad courier, is an editor of *Biblical Archaeological Review*, one of the “academic” journals pushing the Temple Mount plot.

It was on behalf of the Temple Mount project, and related Israeli support for Iran in the Gulf war, that the Pollard espionage effort was deployed.

Enter: the KGB

There is another dimension to the Ledeen-Pollard link raised by *EIR*’s sources: Soviet-Israeli collusion.

In his sentencing memorandum in the Pollard case, U.S. Attorney Joseph E. DiGenova of the District of Columbia, made direct reference to the practice of using “false flag” agents. That is, Pollard—and Eytan’s entire LEKEM unit—was an instrument of the Soviet KGB under Israeli cover: “A common technique used by foreign agents seeking U.S. classified information is the so-called ‘false-flag’ approach. This technique refers to instances where the U.S. source is falsely persuaded that the foreign agent is acting on behalf of a friendly or allied country; implicit in this approach is the assurance that the likelihood of a substantial prison sentence is remote where the U.S. source does not intend to aid a hostile country by his unauthorized disclosures. Whether a potential U.S. source is the target of a ‘false-flag’ approach, or is wittingly advised by his ‘handler’ to merely pretend an intent to benefit a friendly foreign power, the deterrent effect of certain, substantial jail sentences would be the same.”

Evidence presented in a March 1985 *EIR* special report, *Moscow’s secret weapon: Ariel Sharon and the Israeli mafia*, shows that Pollard was precisely that kind of “false-flag” agent: The ultimate user of the data stolen by Pollard was the KGB.

An ongoing *EIR* investigation shows that Michael Ledeen—and his wife, Pentagon consultant Barbara—have the same Soviet-Israeli pedigree as their suspected associate Pollard. As early as March 15, 1982, the counterintelligence newsletter *Investigative Leads* had reported on Ledeen’s close ties to Luigi Scricciolo and his wife, Paola Elia, now both in an Italian jail for their involvement with the terrorist Red Brigades.

Scricciolo was the international affairs director of the Italian socialist trade union federation, UIL. He was fingered by his cousin, Loris, and by Antonio Savasta, both Red Brigade members involved in the kidnaping of American Gen. James Dozier in December 1981. Luigi Scricciolo was a Red Brigades leader who maintained liaison to Cuban and Bulgarian intelligence agents in Rome. Similar information on Scricciolo’s ties to both terrorist groups and East bloc intelligence services had been provided to Italian military intelligence in 1979. That information was suppressed by then-SISMI chief General Santovito, a member of the outlawed P-2 Freemasonic Lodge. General Santovito was also a sponsor of Michael Ledeen during his lengthy stay in Italy in the late 1970s. The Ledeens were reportedly in frequent, intimate contact with Luigi Scricciolo and Paola Elia.

A Mossad agent

According to a series of articles that appeared in the *New York Times* and the *Washington Post* on Feb. 2, Ledeen’s lengthy stay in Italy was the result of a scandal that broke out when he attempted to secure tenure on the faculty of Washington University in St. Louis in the early 1970s. Ledeen was apparently guilty of plagiarism. His tenure was blocked and he was forced to leave St. Louis.

Early in his career, Ledeen was sponsored by Prof. Walter Lacqueur, a German Jewish emigré from the early Frankfurt School circles, who has authored numerous historical pieces on Nazi and other intelligence networks. Lacqueur steered Ledeen to Italy in the late 1960s to complete his doctoral dissertation on “the universal aspects of Mussolini’s fascism,” a study that later appeared under the title, *Universal Fascism*. Apparently, Ledeen’s contacts with the neo-fascist circles of the P-2 Lodge and his intimate channels into the Italian Communist Party and the emerging terrorist underground all began during the Lacqueur-sponsored trip.

Not coincidentally, the same Walter Lacqueur wrote a lengthy article for *Society* magazine in the summer of 1986, in praise of the literary efforts of Julian Semyonov, a top Soviet GRU (military intelligence) official operating under cover as spy novelist and investigative journalist. Semyonov is one of the leading figures in Raisa Gorbachova’s Great White Russian “cultural revolution.”

Thus, Michael Ledeen and Jonathan J. Pollard are leading U.S. investigators to a KGB-Mossad network that has penetrated the U.S. national security apparatus at its deepest level. It is perhaps the most significant counterintelligence probe of the postwar period.

Ted Shackley denies Contra, drug link

The following letter addressed to Criton Zoakos, editor-in-chief, was received by Executive Intelligence Review from the Washington, D.C. law firm of Shaw, Pittman, Potts & Trowbridge.

January 30, 1987

Dear Mr. Zoakos:

I wish to call your attention to a significant error in fact on page 65 of your January 16, 1987 issue in an article titled "Irrigate Gambits Wrecking Mossad's Fifth Column." The author of this article is Webster G. Tarply [sic]. The article

states: "One witness has seen bags of cocaine loaded on board a plane owned by Ted Shackley's Southern Air Transport on a Colombian airstrip, and the plane turned out to be the same one shot down in Nicaragua on Oct. 5 with Eugene Hasenfus among the crew." This statement is factually wrong and libelous.

Our client, Mr. Shackley, has asked me to advise you that he does not own nor has he ever held any stock or other ownership interest in Southern Air Transport. Mr. Shackley has not been involved in Contra matters either as a fundraiser or supplier of material of any kind and has not been involved in any transaction relating to illegal drugs. It is a disservice, therefore, to my client to publish such material.

Please note this is not the first instance of such erroneous data appearing in your publication. The January 9, 1987 edition of *EIR* on page 61 says "Southern Air Transport (SAT) a company with former CIA connections and possibly partly owned by former CIA official Theodore G. Shackley."

I ask you to correct these errors in your next publication so that further action on our part will not be necessary.

Sincerely,
(signed)
Jack McKay

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New Harvard study: arms control a fraud

by Kathleen Klenetsky

A significant section of the arms-control mafia has finally conceded what has long been obvious to anyone not wearing self-imposed blinders: The Soviet Union has been exploiting arms-control negotiations and agreements to achieve its goal of military superiority over the West.

These are among the findings expressed in a recent report entitled *Learning from Experience with Arms Control*, written by a panel of arms-controllers from Harvard's John F. Kennedy School of Government—the same Harvard that created and promoted Henry Kissinger, and now finds that the arms-control “achievements” of Kissinger's career have turned out to be empty promises.

Sponsored by the U.S. Arms Control and Disarmament Administration, and scheduled to be published in book form this summer, the report substantially confirms charges leveled by *EIR*, as well as Defense Secretary Caspar Weinberger, that Moscow's primary purpose in pursuing arms control is to disarm the West, while allowing Russia to build an unstoppable military machine.

Although the study, drafted by some of the most ardent devotees of arms control, including Ashton Carter, Joseph Nye, and Albert Carnesale, certainly does not go so far as to suggest that arms control be abandoned, it does make some remarkable concessions, especially given the authors' pro-disarmament outlook.

“What is most striking about the arms-control experience surveyed here is what it did not do,” the report asserts. “Those who hoped arms control would bring about major reductions in existing or planned weapons inventories or slow the introduction of new and more capable technologies have little grounds for satisfaction. Nor do those who looked to arms control as a means for constraining the emergence of a large, modern Soviet arsenal capable of destroying a significant proportion of U.S. strategic retaliatory forces.”

Among the study's most notable concessions is that Moscow has not been constrained by existing arms agreements. “The arms-control process and/or unilateral restraint have little impact on the Soviet [military] requirements process,” it says. “On the contrary, it appears that Soviet requirements are determining factors in their arms-control proposals and their acceptance of any final agreement.”

The report presents a gloomy assessment of the major U.S.-Soviet accords. SALT II failed to achieve its “major strategic objective” of “enhancing the survivability of both

sides' retaliatory forces” and did not “constrain survivability of both sides' retaliatory forces” and did not “constrain significantly many qualitative improvements that have had a major impact on force structure and strategic stability.”

While terming the 1972 ABM Treaty, “arms control's chief accomplishment,” the study laments that it “may merely have codified the postponement of a race in defensive systems until advancing technologies made effective defenses possible,” and further admits that “There is no evidence that the slow pace of U.S. ABM developments in the 1960s had an appreciable effect on the pace of Soviet efforts.”

The study also warns that “Soviet pattern of circumvention and apparent violation . . . has eroded confidence in and support for the arms-control process,” which could become a “perhaps insurmountable” barrier to future arms limitation progress.

Words—or action?

Presumably, the report's conclusions suggest that even some leading arms-control fanatics can no longer deny that Moscow is committed to institutionalizing its military superiority, and has cynically and deliberately used arms treaties to achieve this goal.

Whether it means that the authors will now support the steps the report implies are necessary—like ending the arms-control charade; mobilizing to stop the fools on Capitol Hill who are threatening to pass laws to force the U.S. to abide by SALT II; spending the money necessary to restore America's defense capabilities—is far more iffy.

Judging from a Feb. 2 *New York Times* op-ed by the report's two chief authors, Albert Carnesale and Richard Haass, the study's drafters are still clinging to the illusion that somewhere there exists the perfect formula which will magically produce “real” arms control.

Haass and Carnesale propose more of the same U.S. concessionary policy which their Harvard study has shown does not work, specifically, that President Reagan accept the Soviet proposal for applying the so-called “strict interpretation” of the ABM Treaty to the SDI for the next 10 years. As Weinberger, and even Secretary of State George Shultz have stressed recently, the “strict interpretation” not only would impede the SDI's progress, but also is not the legally-correct reading of the treaty.

Nevertheless, the Harvard report does serve a useful purpose. Having prominent members of the arms-control gang on record questioning some of the fundamental assumptions, and practical results, of the arms-control process, will make it a bit more difficult for Congress and presidential candidates to promote arms control as avidly as they might otherwise do. As the Dec. 22 *Wall Street Journal* noted in a lead editorial, the Harvard study “should be required reading . . . for those members of the 100th Congress who are urging President Reagan to return to the SALT II limits and cap his presidency with an arms-control treaty.”

Elephants and Donkeys by Kathleen Klenetsky

Alexander Haig imitates LaRouche . . . sort of

Al Haig is about to throw his hat into the presidential ring—he's scheduled to formally announce his candidacy at a New York gala in late March—and is boning up on policy issues in anticipation.

Judging by some recent remarks, the retired general and former secretary of state has been carefully studying Democratic presidential candidate Lyndon H. LaRouche's writings.

About a year ago, Haig, who has extensive business dealings in Virginia's Loudoun County, where LaRouche resides, started to mimic LaRouche's attacks on "neo-Malthusianism," specifically citing the *Global 2000 Report*, a study commissioned by the Carter administration which preached the need for population control and resource conservation on "limits to growth" grounds. LaRouche has repeatedly denounced the report since it first appeared in late 1980.

Lately, Haig has adopted, at least in part, LaRouche's unique analysis of why despair and pessimism have overcome so many American youth. In a speech to the Great Falls-McLean (Virginia) Republican Women's Club Feb. 12, Haig identified the source of the problem as "the message we gave U.S. youth during the dreadful decade of the 1970s, when we told them we were running out of resources, and that

they had no future. No wonder they became estranged when we told them their future would be an agonizing fight over dwindling resources."

Unfortunately, it's all rhetoric and no substance. Instead of adopting any of the substantive proposals which LaRouche has advocated to give kids a future, by getting the nation back on the track of economic growth and technological progress, Haig is resorting to the same old Republican platitudes—reducing the deficit, further deregulating the economy, cutting taxes—which characterized the economic disaster known as the "Reagan recovery."

Haig is even more irresponsible on the AIDS issue. When *EIR* recently asked him to explain what he would do to stem the epidemic—an issue which he almost never addresses voluntarily—he made a few vague references about the need for greater resources, and then hastily moved on to the next question.

If Ledeen goes to jail, can Haig be far behind?

Though Haig is outwardly elated by the fact that Irangate is hurting George Bush's presidential prospects, inwardly he must be smirking less, and worrying more about how the scandal is bound to affect him: He was smack in the middle of the whole sordid affair long before President Reagan got in on the act.

The Jan. 19 *Los Angeles Times* printed an op-ed by former National Security Council senior staff member Roger Morris blasting Haig for espousing a "cynical, belligerent" worldview, and calling him the author of the Irangate policies. He specifically charged that Haig made U.S. intelligence and diplomacy "hostage to Israel."

Morris noted that Haig was the pa-

tron of Michael Ledeen, the administration "consultant" who has come under increasing fire from congressional investigators for his key role in arranging the Iran deal.

Sen. David Boren (D-Okla.), chairman of the Senate Select Committee on Intelligence, which recently completed a probe into the Iran-Contra affair, appeared on ABC-TV's "Nightline" early in February to charge Ledeen was a representative of a "parallel government" which has been running U.S. policy "since the time of Lumumba and the Bay of Pigs."

Ledeen served as a consultant to Haig at State and is reliably reported to be working closely with the Haig campaign apparatus, especially in lining up support from the international Social Democracy.

Haig himself has gone on record defending the policy of supplying weapons to what he calls Iranian "dissidents." He told a Virginia State Republican Party gathering Dec. 6, "I would have been very, very concerned, if our President had not been reaching out to dissident elements in Iran. I do not agree with those who say there are no dissident elements. There are."

He suggested that if the United States failed to provide some military support to Iran, Iran would fall into Moscow's arms. He claimed that an Iran "poorly equipped on the battlefield," faced with defeat by Iraq, will turn to Moscow for military aid.

Although Haig criticized the Reagan administration for exchanging arms for hostages, he made it clear in talking to *EIR* that he favors arming the "dissidents." He said he would first want to establish their *bona fides*, but then the United States should give them support, including weapons. He also insisted that, "of course," the communist Tudeh Party should be categorized as "dissidents."

Dr. Otis Bowen condemns the elderly

Most analysts considered generous and liberal a proposal by Dr. Otis Bowen, Secretary of Health and Human Services, to provide "catastrophic insurance" for the nation's elderly. But Dr. Bowen's briefing on the policy to the White House press corps here Feb. 12 showed that nothing has changed in the administration's brutal fiscal assault on the poor and elderly.

Bowen's plan, which President Reagan endorsed over two other, more austere options put forward by his Domestic Policy Council, offers the nation's 35 million persons over 65 and eligible for Medicare the option of broadening their Medicare coverage for an extra \$4.92 a month.

The insurance add-on would cover virtually every health care cost above a \$2,000 per year cap—relieving the threat that a high medical cost not covered by Medicare will push people into economic ruin.

Admittedly, this will help the 1.5 million elderly who do require more than \$2,000 in non-Medicare treatment annually. But don't read it as a warming of the administration's cold-blooded approach.

The plan was devised in the face of congressional determination to pass a more comprehensive program this year, and is "revenue neutral," i.e., it represents no federal budget expense. The cost of the premiums is indexed

to the annual inflation rate for health care costs (about 10% per year, compared to an alleged 1.1% inflation rate for the overall economy in 1986). It replaces innumerable "Medigap" policies of private insurance companies.

Sins of omission

More significant is what the Bowen proposal leaves out.

- It does not cover medical expenses until they top \$2,000. For many elderly Americans on fixed incomes, \$2,000 in medical bills is more than they can afford.

- It does not cover anyone under age 65, some 35 million of whom have no medical insurance, and another 10 million of whom have inadequate insurance. Bowen proposes a number of measures aimed at dumping this problem onto state or local entities, including one to encourage states to pass laws requiring all employers to provide insurance.

This approach is similar to the *Up from Dependency* report on welfare reform released by the administration earlier in the week. Of the three large, slick volumes, one is a 700-page "Self-Help Catalogue" listing local programs that the government hopes will substitute services or employment for welfare payments in coming years.

It was pointed out that dumping welfare programs onto states will lead to wide discrepancies in the quality of programs available. Some states will be saddled with disproportionate burdens as the needy migrate from states with less aid, to states with more.

- It does not provide for long-term care. Bowen admitted that polls show two-thirds of people on Medicare still incorrectly believe that Medicare covers the costs of nursing homes or home-care services. It does not; "catastrophic coverage" will not either.

Such costs, for persons requiring long-term care, average \$22,000 a year. The nursing-home industry rakes in \$32 billion a year, 50% paid by Medicaid (available only to the poor, or those made poor by selling off all their assets to pay these bills first), and only 1.5% of which is paid by private insurance companies. The rest is paid out-of-pocket by the elderly and their families.

Bowen said that he favors a tax-free Individual Medical Account (IMA) policy to help pay for this need, run in coordination with a private insurance company. By putting in \$1,000 a year, an elderly person would be entitled to coverage for two years of nursing-home costs. This would work, he said, "because 82% of individuals in nursing homes are not there after two years." Of course not: They die in the meantime.

What Bowen did not say is that such an IMA program would undoubtedly entail a clause requiring participants to sign a "living will," agreeing to the withholding of all life-saving medical treatment once the individual entered the nursing home.

- The program comes under the existing fiscal restraints of Medicare, which includes requiring patients to be treated at "health maintenance organization" (HMO) facilities, rather than by specialists, and restricts the number of days allowed in the hospital.

The single most evil thing Dr. Bowen did was to blame the high cost of health care on the elderly, the lie which invites the policy of euthanasia embodied in the "living will." Rather than citing the real factors, skyrocketing malpractice insurance, debt service on hospitals, etc., he attributed rises in health care costs to the growth in the number of persons over 65, and to high-technology treatment, which in fact lowers health care costs.

Minimum wage boost to be considered

House and Senate Democrats are preparing legislation to raise the national minimum wage. Hearings in the House are expected to take place this summer. Legislation could be acted upon by fall.

Three bills, H.R. 79, H.R. 649, and H.R. 659, respectively, introduced by Reps. Mario Biaggi (D-N.Y.), Henry Gonzalez (D-Tex.), and Gerald Kleczka (D-Wis.), have already been introduced into the House.

Sen. Edward Kennedy (D-Mass.), chairman of the Labor and Human Resources Committee, is also drafting legislation. Kennedy is giving it top priority.

On Feb. 10, House Education and Labor Committee Chairman Rep. Augustus Hawkins (D-Calif.) took a special order in the House for extended discussion on the matter of the minimum wage in order to highlight the issue. It was pointed out that the last increase, in 1981, raised the minimum wage to \$3.35 per hour. Today, that represents a 26% real decline, meaning the lowest minimum wage level since 1955.

Rep. Pat Williams (D-Mont.) said that the annual salary for full-time employment at minimum wage levels was \$6,968. "This is one-fifth below poverty level for a family of three, and one-third below the poverty level for a family of four."

The Kleczka bill would raise the minimum wage to \$4.35 per hour in two 50¢ steps (Jan. 1, 1988 and 1989), which he says would make up for inflation for the last six years. The Biaggi and Gonzalez bills take a slightly different approach: indexing the minimum wage to 50% of the average hourly wage in the private sector. Currently, that would mean a minimum

wage of \$4.33 an hour, which the Biaggi bill would implement by March 1, 1991. Biaggi's office acknowledged the danger that, if current job-creation trends were to continue, the minimum wage could actually decline, since most new jobs are at the lower end of the pay-scale.

A Hill source said he "couldn't imagine the administration allowing any more" than roughly a dollar increase. Ironically, one of the major arguments used against an increase in 1981, that it would fuel inflation, is a lesser argument now.

The AFL-CIO is a big backer of the bill. Secretary of Labor Bill Brock, who is urging Republicans to cultivate AFL-CIO endorsements, has not decided where he stands on the issue, but several Hill sources report little opposition from the administration so far.

Bentsen 'competitiveness' bill: same old trade war

Senate Finance Committee chairman Lloyd Bentsen (D-Tex.), along with Sen. John Danforth (R-Mo.), and 54 other Senators, introduced his trade bill on Feb. 5. For all the "competitiveness" hoopla, the bill offers little more than the old prescription of trade war measures.

The bill would mandate that the President take retaliatory measures, including tariffs or quotas on imports, against U.S. trading partners in Western Europe and Japan (and others) under two circumstances: if the International Trade Commission determines that a U.S. industry has been injured by unfair competition, and if the U.S. trade representative decides other countries are imposing "significant and unjustifiable" trade restrictions on U.S.

exports, and are lax in efforts to reduce their trade surpluses with the United States.

Several senators, including Don Riegle (D-Mich.), have indicated they will attempt to amend the bill to ensure tougher protection, while Sen. Bob Packwood (R-Oreg.) is opposed to the protectionist aspects.

The bill requires the President to submit a detailed statement on trade policy, to include positions on exports, import sensitive industries, international economic coordination, and developing countries. The bill leaves to the President the power to conclude "fast track" trade agreements.

The only seemingly positive approach is a provision requiring industries seeking import relief to submit a plan to the ITC, outlining how they intend to become more competitive. Such a plan "may address" issues of capital investment, capacity utilization, automation, labor policy, market strategy, and management innovation. The ITC could grant the relief based upon a "reasonable expectation" that the industry could "successfully compete" after relief was granted. Otherwise the ITC could recommend that resources be transferred "to other productive purposes."

The real problem, of course, is trade partners' foreign debt and IMF conditionalities. A spokesman for the Joint Economic Committee, however, said he doubted that Congress would consider more than mandating a regulatory study on obstacles to bank write-off of Third World debt—the main reason for U.S. export declines. The spokesman said he was "surprised" that the recent Vatican statement on debt has not yet been entered into the *Congressional Record*, and that while no one has expressed an

interest in Peru's 10% solution, someone might. Peru's 9% real growth figures are "quite impressive," he said.

Hollings: Let's reinstate the draft

Sen. Ernest Hollings (D-S.C.) and co-sponsor Sen. Steven Symms (R-Id.) have introduced a bill to reestablish universal military conscription—the "draft."

"The great need of the hour is . . . willpower," Hollings said in introducing the bill, S. 445, on Feb. 3. "We lack credibility. If it is strength that must be shown the Soviets in order to obtain arms control, a universal draft will get them to take notice. . . . A President's commitment counts for little unless it reflects the commitment of the people."

Hollings pointed out that a crucial factor which must be considered is "the size and strength of U.S. reserve forces and our capacity for rapid mobilization." Our reserves are under strength, he noted, while the Pentagon has shown "relatively little concern . . . about a mobilization capability."

"It is the sponsors' wish that President Reagan use the draft to build up to and sustain a reserve force and capability that meets our mobilization need," he said. "That is the minimum that is required, and it is required as soon as possible."

Hollings attacked the high cost of the volunteer army which would grow worse as 17- to 21-year-olds are declining from 11 to 9 million between 1980 and 1992. He also called a professional army "un-American," and called it a civil wrong to rely upon the poorer and minority sections of the population.

Finally, he scored the "civilianization" of the military that has oc-

curred to keep the Army "content and happy in peacetime." "Turning the Army into a microcosm of the office down the street does not suffice. Defending America is not a 9-to-5 job. . . . Defense is everybody's business."

Biden, Levine move to curb military exports

Senator Joseph Biden (D-Del.) and Rep. Mel Levine (D-Calif.) introduced the Arms Export Control Act on Jan. 29, S. 419 and H.R. 898, which could drastically curtail the export of U.S. military equipment.

The bill would change current law in two respects. First, arms sales would be divided between sensitive and non-sensitive categories, with congressional review required only for the former—arms destined for nations outside of preferred allies. The bill would give the nations of the Camp David accords, Israel and Egypt, a preferred status.

Second, a majority of Congress would have to approve the sale. Currently, a sale can proceed unless it is disapproved by a two-thirds majority in both House and Senate.

Included in the category of sensitive hardware are turbine powered aircraft; missiles and anti-aircraft artillery and associated control, target acquisition, and electronic warfare equipment and software; all combat-designed helicopters; main battle tanks; and submarines and ships down to "destroyers and auxiliary warships."

Biden, Levine, and other sponsors are incensed about the sale of military hardware to Jordan and Saudi Arabia, especially, and pointed out that a sale to Jordan last year survived a presidential veto only after the administra-

tion decided not to include Stinger missiles.

The administration and defense industry are mobilizing to kill the bill, fearing loss of exports and influence abroad.

McClure outlines new Soviet SALT violation

"The United States government has just received strong evidence that the Soviet Union has exceeded and violated the main numerical sublimit of the SALT II treaty," Sen. James McClure (R-Id.) announced on the Senate floor Feb. 5.

The detection of five SS-24 rail-mobile, MIRV'd ICBM launchers, which "the Soviets have reportedly not adequately compensated for . . . by dismantling MIRV'd ICBM silos," puts them at 822 launchers and over the MIRV'd launcher SALT II sublimit of 820 launchers.

Lest anyone lay this at the doorstep of the U.S. decision to abandon SALT II, McClure pointed out that "this Soviet violation occurred in early October 1986, well over a month and a half before the United States exceeded a SALT II sublimit."

McClure noted that these Soviet launchers are "heavily camouflaged and concealed," and suggested that "many more" launchers are "even now covertly deployed" among over 1,000 Soviet railway tunnels along the rail system where they "can be concealed and remain survivable." Each SS-24 launcher has a reload and refire capability which "would double or triple the SS-24 force."

"A U.S. return to SALT II compliance now . . . would be nothing less than U.S. unilateral disarmament," McClure said.

National News

Billington freed as frame-up collapses

The crude attempt to frame a top fundraiser for causes associated with Lyndon H. LaRouche, Jr. on criminal charges has fallen apart. Michael Billington, a fundraiser based in Leesburg, Virginia, was released Feb. 11 from the Loudoun County jail at 5 p.m., after Missouri authorities dropped 15 felony counts of "securities fraud" which had been filed against him in November.

Billington, illegally imprisoned for almost four weeks without bail, is the first LaRouche associate to have criminal charges brought against him for alleged violations of state securities laws. A network of federal and state officials, led by Assistant Attorney General William Weld, has used the pretext of "securities" laws to try to stop fundraising by LaRouche-identified organizations in almost 20 states. But the Missouri fiasco around the case has exposed the groundlessness of the proceedings.

Billington was first arrested in November on a "fugitive warrant" from Missouri. After being released on in November on a "fugitive warrant" from Missouri. After being released on bail, he was re-arrested on an extradition warrant signed by Virginia Gov. Gerald Baliles on Jan. 8. His alleged "victim," apparently under pressure from relatives and prosecutors, was induced to make perjured statements saying that Billington had come to Missouri to obtain loans from her. Billington's attorney challenged the extradition warrant on grounds that he had never been in Missouri. Faced with the challenge and charges of human rights violations from around the world, Missouri retreated and said charges would be dropped if Billington's employer, Caucus Distributors, Inc., repaid loans due.

CDI had never contested its outstanding debt and agreed to accelerate the loan repayment.

Following his release, a CDI spokesman denounced the entire proceeding as "extortion." "This case should serve as a lesson to all corrupt law enforcement officials from William Weld on down who are using and abusing their offices and powers to try to

stop the political movement led by Lyndon LaRouche."

Louisiana Democrats reject Vatican statement

Louisiana Democrats debated and rejected a resolution in support of the statement issued on the world debt problem by the Vatican commission, *Iustitia et Pax*. The Vatican statement castigated the International Monetary Fund and international financial institutions for the misery and suffering foreign debt was causing to Third World countries, in particular.

The Louisiana Democratic State Central Committee debated a resolution in support of the Vatican Commission's statement at a meeting on Feb. 7. In a floor vote, more than half voted against it. Louisiana is a predominantly Catholic state.

State Central Committee member Fred Huenefeld, a "LaRouche Democrat," had introduced the motion, causing a stir among the delegates. Although 45% of the members supported the resolution, it was eventually tabled because a controlling group of liberals argued that members of the state committee "were not knowledgeable enough about the IMF" to endorse the statement.

BBC, OSI in witchhunt against rocket scientists

The British Broadcasting Corporation is launching a broadcast series designed to slander German rocket scientists in the United States as "Nazis." The series, undertaken in cooperation with the Office of Special Investigations (OSI) of the U.S. Justice Department, is a calculated attack on the U.S. space and defense programs.

The same broadcast series will be aired on the U.S. Public Broadcasting Service's "Frontline" television series during the last week of February.

The OSI, ostensibly created to find Nazi war criminals resident in the United States,

in the past has relied almost exclusively on the Soviet KGB for "evidence" against Russian-targeted individuals. Upon closer examination, the individuals targeted on the KGB's behalf by the OSI prove innocent—after their reputations and careers have been damaged beyond redress.

Even so, on Feb. 20, BBC's Tom Bower will present the show, "The Paperclip File," reportedly based on the work of OSI's Eli Rosenbaum, who will be interviewed by Bower.

"A Nazi Fire on the Moon," is the headline of part one of a *Times* of London serialization of Bower's program. The "intimacy" of Werhner von Braun et al. with Nazi crimes "had been smoothly and conspiratorially expunged after the war by sympathetic American army officers anxious to employ them in the United States," states one exemplary segment. "When the 'Eagle' settled on the Moon's surface and Neil Armstrong coolly assured ground control of the mission's success, a handful of Americans and Germans silently congratulated themselves on their skillfully carried-out deception."

Governor challenges guard deployment law

The State of Minnesota has mounted the first legal challenge to a new federal law, the so-called Montgomery amendment, that denies the nation's governors their traditional control over the training and deployment of National Guard troops in their states. The suit is an outgrowth of objections by some to deployment of troops to Honduras.

Minnesota Gov. Rudy Perpich filed a suit against the Defense Department, the Army, the Air Force, and the National Guard, alleging that the Montgomery amendment is unconstitutional.

The amendment was approved in October along with the 1987 defense budget.

According to the Feb. 9 *Christian Science Monitor*, "The lawsuit is the outgrowth of a nationwide protest movement against the use of Guard units in military maneuvers in Honduras. Last year, the critics con-

vinced several governors to refuse to send units of their Guards to Honduras.”

Early deployment of SDI illegal: Proxmire

“Congress cannot authorize any money for deploying ‘Star Wars’ until it has received a presidential certification that it is ‘survivable’ and ‘cost-effective,’ pronounced Sen. William Proxmire in a Feb. 11 letter to Secretary of State George Shultz.

Moreover, Congress must review that certification “for accuracy,” he said, citing a congressional amendment to that effect.

Saying that President Reagan had stood by the “Nitze criteria” of cost-effectiveness and survivability at a Feb. 3 National Security Council meeting, Proxmire added: “As it stands now, it’s doubtful any near-term deployment of SDI could be made cost-effective and survivable.

“I intend to see that these criteria remain the law of the land and that nobody tampers with them. There’s been talk among [Pentagon] and SDI officials about weaseling out of the amendment and its criteria.”

Pentagon cancels security clearances

The Defense Department, after a 16-month review prompted by several incidents of espionage, has dropped 1.6 million security clearances allowing government employees and contractors access to classified information—40% of all security clearances. Since October 1985 clearances have been reduced from 4.1 million to 2.5 million. Pentagon spokesman Robert Sims made the announcement Feb. 10.

The sharpest reductions were imposed on the Defense Investigation Service and the Air Force. The DIS conducts inquiries of personnel being considered for clearances. DIS’s own clearances were cut 41%. Clearances issued to Air Force personnel have been cut nearly 57%.

Those given to Navy personnel were reduced by about one-third. The number of clearances awarded to defense contractors has been cut 31%.

Drug dealer convicted in teenager’s drowning

A 30-year-old man has been convicted of the second degree murder of a teenager who drowned while under the influence of illegal drugs the man had supplied.

Mark Taylor was convicted Feb. 9 in Anaheim, California, for supplying PCP (phencyclidine), a disorienting drug known as “angel dust,” to Adrian Ubregon. The prosecution said Ubregon was under the influence of PCP when he decided to go for a swim. He disappeared under a wave and his body was washed ashore the next morning.

“There has probably never been a case like this in the state,” Superior Court Judge Richard Beacom said before dismissing the jury of six men and six women. “Your experience in this case will probably go a long way in settling other cases.”

U.S. conducts second underground test

The United States exploded its second announced underground nuclear weapon of 1987 on Feb. 11. The blast occurred 1,000 feet below the surface of the Nevada desert, said the Energy Department.

The test of less than 20 kilotons, code-named “Tornero,” was detonated without difficulty at the Nevada Test Site, 77 miles from Las Vegas. “No radiation leaked into the atmosphere and the test was a success,” said a spokesman.

The test was not announced by the government prior to its explosion, although anti-nuclear groups had publicized the test’s code-name and date of explosion.

This and a previous test are linked to the research for the President’s Strategic Defense Initiative.

Briefly

● **PAT ROBERTSON** said Feb. 7 that the United States should form a military strike force to hunt down terrorists who kidnap Americans. “The rights of our citizens who travel overseas should not be circumscribed by crazy people in Syria, Lebanon, or anywhere else.”

● **REP. JACK BROOKS**, chairman of the House Government Operations Committee, plans to hold hearings on current government policies on military data, claiming they are inconsistent. “One part of the Defense Department is awarding contracts to foreign companies and giving them access to sensitive scientific and technical information, while another part of the Defense Department is trying to restrict access to such information by our own citizens.”

● **THE 1988 CONVENTION** of the Democratic Party will be held in Atlanta, Georgia, chairman Paul Kirk told a news conference Feb. 10: “If we are to succeed, we have to be competitive in the South, and Atlanta is the capital of the South.”

● **THE AIR FORCE** sent a classified payload into space Feb. 11 aboard a Titan-3B rocket. It was the fourth such launch from Vandenberg Air Force Base this year, said Tech. Sgt. Virgil Short of the Space and Missile Test Organization. The rocket was launched at 10:40 p.m. The nature of the payload could not be revealed for security reasons.

● **THE FINDERS**, now exposed as a child-kidnapping, satanic cult based in Washington, D.C., has been linked to a “peace-farm network” operated by the American Friends Service Committee. AFSC, a so-called Quaker organization, was earlier linked by *EIR* to the activities of the North-American Man-Boy Love Association (NAMBLA), which police have also linked to child kidnappings.

Time running out in the Philippines

One year ago, Feb. 25, 1986, the 20-year government of American ally Ferdinand Marcos came to a dramatic end in the Philippines. The Marcos government was brought down by a combination of the U.S. State Department, which executed the military coup against Marcos, and the "people's power" movement against Marcos fomented by Jaime Cardinal Sin. Both the United States and Cardinal Sin promised that once the corrupt dictator Marcos were pushed out of the way, "the rebels would come down from the hills" and the 18-year increasingly dangerous insurgency of the New People's Army would end. The Philippines would again become a showplace of democracy and economic prosperity.

Nothing of the sort has occurred, as this publication alone warned during the final days of the Marcos government.

After one year, although President Corazon Aquino legitimized her government with the overwhelming mandate for her constitution in a national referendum Feb. 2, the Philippines crisis has reached new heights of danger to that nation and to the strategic position of the free world in Asia.

Despite every effort by the Aquino government to come to a peaceful agreement with the New People's Army, the Philippines today stands on the brink of all-out civil war. After using the 60-day ceasefire begun Dec. 10 to build up its military and political position throughout the country, the NPA has proclaimed that it will not renew the ceasefire, and has already announced its military offensive with attacks on both soldiers of the Armed Forces and civilians. From Manila comes the word that the NPA already has significant control of provinces immediately adjacent to Manila.

If the Philippines government and armed forces now resort to a purely military offensive against the NPA, it will fail—just as it failed under Marcos. The insurgency cannot be halted unless there is a total national commitment to economic development. The recruiting ground for the NPA is the disenfranchised farmer of the Philippines, who is now starving as the sugar and other

commodity plantations have ground to a halt. The NPA's recruiting ground is the barrios of the nation's cities, where the squalor matches that of the worst slums of Bombay, Calcutta, and Brazil.

American statesman Lyndon LaRouche advised Ferdinand Marcos, in the latter months of his government, to take immediate drastic action to rescue the Philippine economy. This action requires a total repudiation of the supranational power of the International Monetary Fund, whose austerity conditionalities after 1983 broke the back of the economy and forced it into negative growth rates for the first time since Japanese occupation in World War II. It requires the "Peruvian solution" for the Philippines, in which the payment of debt is placed second to the well-being of the population.

Marcos failed to act, in deference to his illusion that the United States would continue to back him if he played ball with the IMF. That sin of omission brought about his downfall.

The same challenge is now before Aquino. If the government does not take immediate action, no matter how much Aquino hails the new democratic Philippines, the NPA and the Theology of Liberation organizations in its orbit will reap the benefits of the dire poverty destroying the population.

The declaration of the Iustitia et Pax commission of the Vatican, on "An Ethical Approach to the International Debt Question," released in January has handed Aquino the necessary moral armor to break with the austerity policies of the IMF that have destroyed the nation. The Vatican repudiates the usurious policies of the IMF and its death policy against nations. In the Philippines, this is an implicit challenge to Cardinal Sin, who declared in May 1986 in Washington, his total endorsement of the Fund and who has nurtured the Theology of Liberation NPA.

In the immediate weeks ahead, patriots in the Philippines armed forces and government will have to face this issue. If not, then the Philippines faces at best a protracted and bloody civil war.

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