

er than the \$2.6 billion or the \$2.75 billion projected by the Department of Finance and the Central Bank, respectively. We would thus save in excess of \$2 billion or 40 billion pesos which should be allocated to stimulate short-term economic recovery.

Secondly, we must realize that neither the infrastructure nor the capital structure of the country at this point is ready to accomodate investment in large-scale industrial ventures. This implies a two-fold strategy. To begin the process of recovery by stimulating domestic demand so as to permit industry to get back to reasonable and profitable levels of capacity utilization and to begin at the same time the process of alleviating the worst infrastructural deficiencies, especially by a concerted attack on the energy, communications and transport, or market access, problems. The following two categories of short-term measures and allocations are designed to accomplish this. First, stimulation of domestic demand. 1) Allocation of \$650 million to increase the salaries of government employees by 50%. 2) Allocation of \$150 million to begin implementation of the constitutional provision for free and enhanced secondary education. 3) Allocation of \$400 million for tax relief and investment credits, stimulating private sector recovery and enabling private firms to increase the real wage levels of their employees. Category 2, infrastructure enhancement. 1) Allocation of \$250 million for initial development of new energy resources and for subsidizing of energy prices so that they can be brought in line and be made competitive with the per-kilowatt hour prices prevailing in the other ASEAN nations, Taiwan and South Korea. 2) Allocation of \$50 million for emergency improvements of the transportation and communications infrastructure. 3) Allocation of \$300 million for the initial stages of land reform and enhancement of agricultural productivity. . .

I can confidently forecast that, with the above measures, we will bring our real GNP growth up to 7% or 8% within a year. The measures I am proposing begin to put our economic future in our own hands. Hopes for foreign investment or massive increases in exports may or may not be justified, but let us not just hope and pray for an economic miracle but rather produce it with our own ingenuity and hard work.

Finally, a warning concerning the context of the international economy within which we must chart a course toward recovery. The price of oil is back up to over \$19 per barrel. The dollar is down to below 140 yen. The prime rate and interest rates generally in the United States are going up. World trade remains stagnant. The implications are, first, higher interest rates for foreign loans, and second, a rekindling of inflation which is already reaching 5% in the United States. I thus repeat, we must get away from the present borrowing policy and adopt short-term measures which will in fact put our own house back in order. We must most urgently take energy development measures to protect ourselves from another oil shock and not let recovery be stifled before it begins.

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## Investigative Leads

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# German press leaks new Homintern tale

by Mark Burdman

Two West German mass-circulation dailies published a story May 5 on the Homosexual International, or "Homintern," which may have profound repercussions within the East bloc's intelligence services, while, at the same time, providing new political embarrassments for Great Britain's Lord (Victor) Rothschild.

The *Bild Zeitung* and *Hamburger Abendblatt* ran a Springer Foreign News Service story, which claims that Sir Maurice Oldfield, head of Britain's MI-6 intelligence service from 1973-78, and Markus Wolf, head of the East German Stasi intelligence service until his sudden departure in February 1987, had both been homosexual lovers of a British transvestite well known in jet-set circles, one Vikki de Lambray.

The papers claimed that Vikki's death last autumn, apparently from an overdose of heroin, may have been brought about by those wishing to cover up the details of her high-level liaisons. They noted that he (or she) had called the police, immediately before death, pleading that he/she had been targeted for murder.

The fact that the stories were printed in German-language dailies, and not in Great Britain, lends credibility to the hypothesis that the articles were a special signal to the East Germans, that some of the shadier doings of Wolf, and the circumstances of his sudden departure earlier this year, may soon be brought to the surface. Wolf had been the master spy of East Germany for 40 years, and had been responsible for running terrorist operations, penetration of the political leaderships of the West (e.g., the famous Guillaume Affair of West Germany), and various political destabilizations. Jewish-born, he was also believed to have interesting ties to high-level circles in Israel.

According to the *Bild/Abendblatt*/Springer story, Wolf, nicknamed "Mischa" by his transvestite-homosexual lover, had first met Vikki de Lambray in London. In the ensuing years, he would regularly arrange two-week-long "love trips" for Vikki and himself in East Berlin.

Now, the question is being asked in certain quarters, whether "Mischa" is dying of AIDS, and whether that might have to do with his sudden official departure from the Stasi.

## 'Confidant of Victor Rothschild'

The Vikki de Lambray saga re-opens the dossier of Sir Maurice Oldfield. On April 23, British Prime Minister Margaret Thatcher had sent political shockwaves through the U.K. by officially confirming, in response to a question in the British Parliament, an allegation by British spy writer Chapman Pincher, that Sir Maurice had been a compulsive homosexual during his tenure as MI-6 head. Mrs. Thatcher's statement also pointed to Oldfield's cover-up, and asserted that his behavior had posed a "potential security risk" to the U.K.

It is flabbergasting, to say the least, for a British prime minister to make such an official admission.

Then, on April 26, *The Observer*, the Sunday weekly, reported that in 1980, when rumors about Oldfield's homosexuality were first circulating inside the U.K., Oldfield had confided in only one person other than Cabinet Secretary Robert Armstrong, this "other person" being "a remarkable one—Lord Rothschild. Rothschild had long been one of the inner circle in MI-6, an influence on the then prime minister, Edward Heath, when Oldfield had been given the MI-6 job in 1973."

*The Observer* added that his Lordship had been "galvanized by the successive humiliation of two of his oldest friends at the hands of MI-5—the homosexual Sir Anthony Blunt in October, 1979, and now Sir Maurice less than six months later," and was therefore determined to get back at his enemies in MI-5.

The following week's *The Observer*, May 3, reported that individuals within MI5 have been prepared, at various moments throughout the past years, to release dossiers on Rothschild's Soviet connections. Indeed, the Byzantine intelligence warfare prevailing within Britain now, and the attempts to pin strange plots on "right wingers in MI-5," may have something to do with his Lordship's desired revenge.

Nonetheless, it is Rothschild himself, who must answer some embarrassing questions, especially now that it is established that his friends include key individuals in the "Homintern." As for Oldfield and Blunt, as published accounts in Britain document, they, along with Soviet spy Guy Burgess, were intent on what is called "rough trade": using down-and-out lower-class boys for their sexual intrigues.

Oldfield, according to Israeli sources, had very good contacts with the Zionist/Israeli intelligence services, from the years before Israel was a state. This didn't stop him from beating up Jews in Palestine, in the immediate post-World War II period, as an officer in the British occupying forces, since, these Israeli sources claim, he was doing this on behalf of his Zionist friends, against these friends' Zionist enemies! The same sources affirm that one of Oldfield's closest buddies was Teddy Kollek, today the mayor of Jerusalem. Kollek, it is interesting to note, had been best man at the first wedding of "Kim" Philby, years before Philby defected to the U.S.S.R.

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## Record Review

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### Time to open the Raucheisen file

by Kathy Wolfe

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#### **Ludwig van Beethoven: Lieder, A Chronicle in Sound**

Michael Raucheisen, Klavier; Acanta/FonoTeam  
40.23535 FK  
Bremen House Records, New York  
Four-record boxed set, \$25.95.

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The recent release by Acanta FonoTeam in Hamburg (Federal Republic of Germany) of the four-disk Beethoven lieder set, masterminded and recorded during World War II by German pianist Michael Raucheisen (1889-1984), is an historical treasure. It should lead music lovers everywhere to ask: Who was Michael Raucheisen, and why have we heard nothing of his voluminous work since the Occupation?

From 1942-45, Raucheisen gathered, at the German State Radio (RRG) in Berlin, dozens of the greatest singers in Europe, and embarked on his grand design, the "Lied der Welt" project, to record all the great lieder of every composer, German and otherwise, as a legacy to history.

The tapes, done for radio broadcast and fortunately on BASF's latest technology at excellent fidelity, were housed at the RRG in Berlin. Many thought them destroyed in the bombing or carted off by the Soviet troops. Acanta has gotten hold of some of the thousands of tapes from East German Radio and other sources, and begun, happily, to issue them in boxed sets, by composer. A Brahms box and boxes of seven other composers are out in Europe, and boxes of Mozart, Schubert, Schumann, and Wolf are in production.

Raucheisen picked his singers for the composition, based on what tone color he believed the composer would have wanted. His 30 singers included all the greats of Europe: Heinrich Schlusnus, Erna Berger, Walther Ludwig, Peter Anders, Anton Dermota, Julius Patzak, Karl Erb, Frieda