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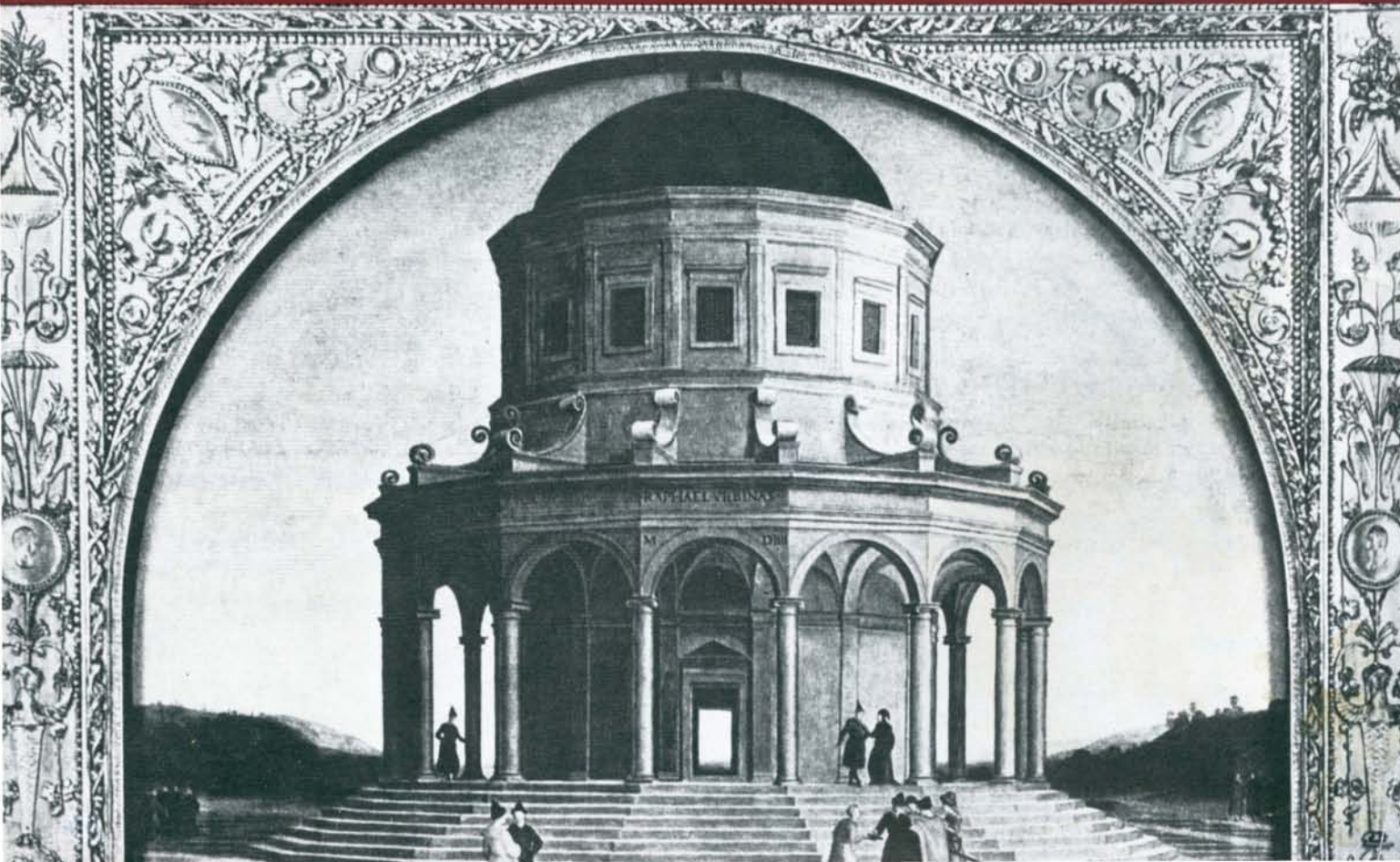
Executive Intelligence Review

September 11, 1987 • Vol. 14 No. 36

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The Russian influence in the Iowa granary

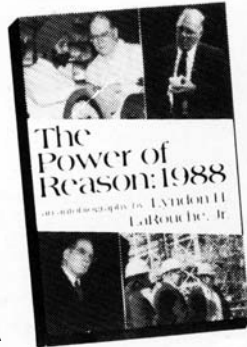
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age of colonization of Mars**



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THE POWER OF REASON: 1988

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EIR/Executive Intelligence Review (ISSN 0273-6314) is published weekly (50 issues) except for the second week of July and last week of December by New Solidarity International Press Service P.O. Box 65178, Washington, DC 20035 (202) 785-1347

European Headquarters: Executive Intelligence Review Nachrichtenagentur GmbH, Postfach 2308, Dotzheimerstrasse 166, D-6200 Wiesbaden, Federal Republic of Germany
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In Denmark: EIR, Rosenvaengets Alle 20, 2100 Copenhagen OE, Tel. (01) 42-15-00

In Mexico: EIR, Francisco Díaz Covarrubias 54 A-3 Colonia San Rafael, Mexico DF. Tel: 705-1295.

Japan subscription sales: O.T.O. Research Corporation, Takeuchi Bldg., 1-34-12 Takatanobaba, Shinjuku-Ku, Tokyo 160. Tel: (03) 208-7821.

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Postmaster: Send all address changes to *EIR*, P.O. Box 17390, Washington, D.C. 20041-0390. (202) 785-1347

From the Editor

Most unusually, this week we have combined the *Feature* and *Science & Technology* sections in a 22-page essay by Lyndon H. LaRouche, Jr. dealing with the problems of city-building in the era of colonization of Mars. Within the body of that article are presented a few artists' sketches of a schematic plan for cities to be built over the next four decades, here and in outer space.

On the cover, we offer a different sort of imaginary building, one dating from the period in which the New World of America was discovered, nearly 500 years ago—the magnificent temple depicted by the 21-year-old genius of the Renaissance, Raphael, in the background of his "Marriage of the Virgin" in 1504.

As LaRouche stresses, the principles of beautiful composition for the coming years' architects and engineers (note that in the Renaissance, the two professions were identical) must be learned from in-depth study of the work of the 16th century-giants, Leonardo da Vinci, Albrecht Dürer, Raphael Sanzio, and Johannes Kepler.

In counterpoint to the exciting perspectives of scientific conquest outlined in the cover story, this issue contains news of rapidly breaking developments on the economic and strategic fronts. The lead in *Economics* indicates the accelerating pace of breakdown in the U.S. economy as the third quarter debt deadline approaches. In *National*, we report on the overt treason of the State Department vis-à-vis the Gulf military deployment, which threatens to expose NATO forces to a massacre by Iranian terrorists worse than the bombing of the U.S. Marine compound in Beirut.

As we go to press, the United States awaits the visit of Pope John Paul II, who has campaigned ceaselessly against usury and for the priority of economic development over debt payment on a world scale. During his stay, the United States will celebrate its founding on the basis of similar principles, with the Bicentennial of the Constitution on Sept. 17. During the same period, an international body of prominent jurists, scientists, political and religious leaders, and men and women of letters and the arts will gather in Washington, D.C. to independently review the extraordinary evidence of violation of those principles of law, in the persecution of Lyndon H. LaRouche, Jr. and his associates. Look for reports on all these events in the next two issues.

Nora Hamerman

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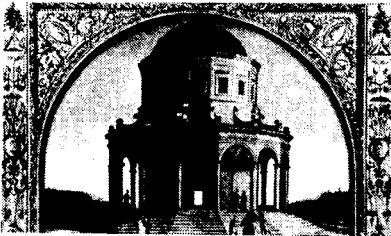
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Feature



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America's creditors get their pound of flesh

by David Goldman

America's foreign creditors will have their "pound of flesh" in September, by one means or another, as the *London Times* put it Sept. 2. That means some combination of higher interest rates, dollar devaluation, and budget cuts. Whatever happens, the administration's "recovery" illusion, centered on the stock-market bubble, will fade, either by the end of this month, or very soon thereafter. There is no basis to predict what will go wrong with the monetary system, because *everything* has gone wrong. There is no basis to predict whether the Federal Reserve will push interest rates up far enough to collapse the savings and loans, or opt, instead, for a big enough devaluation of the dollar to spark a run by foreign investors, or, indeed, whether runs against bankrupt Texas thrift institutions, or the collapse of negotiations between U.S. banks and Brazil, will trigger a financial crisis, before the Federal Reserve has the opportunity to provoke a crisis through its own blundering.

When Congress returns to session Sept. 9, the first item on its agenda will be the same as the last item before it recessed, namely, the expiration of the federal debt ceiling Sept. 23. Congress extended the Treasury's capacity to borrow Aug. 7 to the end of this month, after the Oval Office and the Speaker of the House conspired to wreck a supposed budget-cutting compromise. There is no more basis for compromise now than before. The White House will not accept House Ways and Means Committee chairman Rostenkowski's demands for budget cuts that would reduce defense spending by \$20 billion or more. Speaker Wright has set a collision course with the Administration to force tax increases, partly to save domestic programs, but also, to humiliate the White House in advance of the presidential elections.

Meanwhile, events in the financial markets could make

the congressional debate academic, since it is far from certain that the United States will be in any position to borrow the \$150 billion per annum from foreigners it presently requires to finance its trade deficit; the same borrowings, which take the form of purchases of U.S. securities, directly or indirectly finance the U.S. government deficit as well.

Since mid-August, the U.S. dollar has fallen from DM 1.90 to DM 1.79, and threatens to fall much farther, very quickly. On the surface of events, the occasion for the dollar's plunge appeared in the form of last month's announcement that the United States, in June, ran the worst monthly trade deficit in its history. More fundamental forces are at work, however. The United States economy cannot produce the physical product to meet its own internal requirements; in the fiscal sphere, that translates into a shrinking tax base, or "insufficient savings" to finance government spending, either by internal taxing or borrowing.

Through the middle of 1987, the external and internal deficits of the United States were financed on the printing-presses of foreign central banks. Foreign central banks, including the Japanese, German, and Taiwanese, printed \$70 billion worth of their own currencies, to purchase dollars off the floor of the market. The central banks then purchased U.S. Treasury securities with the dollars they had purchased, while the local currencies they printed took off to chase rising stock prices or similar speculative activity. That makes up the entire content of the various "dollar stabilization" agreements among the various central banks.

By sometime in July, the Bank of Tokyo and the Bundesbank decided to stop debasing their own currencies in order to finance America's internal and external deficits, and that set the stage for the new dollar crisis. Fresh evidence that the

United States economy remained in disastrous condition, i.e., the trade deficit announcement, merely detonated the monetary powder.

Long-term U.S. interest rates rose, correspondingly, roughly a percentage point, to almost 9.5% on the 30-year Treasury bond, the highest rate in almost two years, as of Sept. 3. That leaves Federal Reserve chairman Alan Greenspan in a miserable position; if he merely permits the dollar's deterioration to continue, interest rates will rise far enough to endanger the financial sector, which made most of its income since 1985 speculating in bonds. The enormous losses announced by Merrill Lynch, First Boston, and other institutions for the second quarter, the last time the bond market crashed, were warning enough.

Various Wall Street pundits now demand that the Federal Reserve force up short-term interest rates sharply, in the strange belief that "investor confidence" that the Federal Reserve is "fighting inflation" will take pressure off long-term interest rates. However, any but a very small rise in short-term rates will pull the rug out from under savings and loans which balance between a largely fixed-income mortgage portfolio, and short-term deposits (see *Banking*) The heroic Federal Reserve Board chose to raise the discount rate Sept. 4 by 0.5% to 6%, a pusillanimous, irrelevant gesture.

Greenspan's other alternative, of course, is a dollar devaluation. The London *Times* editorialized, Sept. 2, "The finance ministers have a choice. They can defend the dollar at present levels, and hope the current overwhelmingly bearish sentiment on the dollar passes over. Or they can retain the initiative by moving the dollar goalposts. Shifting the dollar from its present levels of just above DM 1.80 and Y140 to, say, DM 1.60 and Y125 to Y135 would give the foreign exchange markets their pound of flesh."

This debate has only tactical, not strategic, importance. The majority of the Federal Reserve Board, composed of Reagan political appointees, wants America's foreign creditors to continue to finance the deficit at affordable rates through the 1988 elections. Knowledgeable Republican sources report that the present line-up on the Fed board stands at 4-2 for an old college try, to hold the dollar at around DM 1.80 and Yen 140, with only Carter appointee Martha Seeger and former Bank of America economist Robert Heller in doubt. However, Heller's remarks to the Swiss-American Chamber of Commerce in Zurich Sept. 1 argued that the present dollar level was defensible.

But the Federal Reserve has a big problem: the unwillingness of America's trading partners to continue to finance its deficit on the printing presses of their central banks. That is not an issue of convenience, but survival.

U.S. Treasury bonds lost almost 2% of their outstanding value on Sept. 2, meanwhile, after Japan's Takeho Chemical Co. announced it faced bankruptcy due to bond-trading losses. The Bank of Japan's new monetary stringency has hit bond speculators hard, and there is suspicion that Takeho, a

small player, was made into a horrible example to discourage other companies. The incident signaled to analysts that Japanese companies might also pull their horns in from the U.S. market.

The Fed cannot defend the dollar, if the foreign investors who lend America \$150 billion a year, come under pressure from their central banks to stop. That is why the Federal Reserve abstained from foreign exchange market intervention after the dollar hit the "psychological trigger level" of DM 1.80 at the end of August, while other central banks intervened. "The Fed wanted to make the Bundesbank and the Bank of Japan sweat," explained one knowledgeable analyst. "They didn't like recent statements from the Bundesbank and from Japanese Finance Minister Miyazawa to the effect that they were worried about growth in the monetary aggregates."

The Fed is playing chicken with the dollar. Japan and West Germany, the most trade-dependent of the industrial nations, would suffer, were the dollar to crash out of control. They have an interest in avoiding a dollar crash, but their interest in preserving the existence of their banking systems is overpowering. They are playing chicken as well, demanding that the United States drastically reduce consumption, through a combination of fiscal and monetary austerity, in order to forcibly reduce its trade deficit, and its dependence on foreign financial sources.

The Chinese fire drill

The Federal Reserve and the other central banks are locked into a fair imitation of what American juvenile delinquents with fast cars used to call, "chicken." But between them, a drunk is weaving down the road, namely, the administration. Whatever the Fed's current views on the subject, it is far from clear that it will not force a competitive devaluation of the dollar, as a response to the trade deficit. Another monstrous deficit will be announced on Sept. 11, just as Congress prepares action on a new trade bill. Whether the President's veto can stop a protectionist trade bill is not clear, either. Faced with the prospect of a veto-proof protectionist bill, the White House might well decide to "talk down the dollar," in order to convince Congress that it is taking strong action on behalf of American exports, without direct retaliation against America's trading partners.

For the moment, the administration remains cautious. Special Trade Representative Clayton Yeutter, the official most likely to pursue a soft-dollar policy, warned recently that a weaker dollar would only raise interest rates at home. But a good deal of well-informed European money is still betting that Washington will tumble toward a competitive devaluation, for lack of a better response to the trade deficit.

The confrontation over the federal debt ceiling, meanwhile, will interrupt all the crisis-management scenarios, with a Chinese fire drill in the grand style only Washington seems able to stage.

Israel pioneers public health measures against AIDS threat

by Muriel Mirak

On Aug. 25, Israel became the first nation of the Western world to institute serious public health measures aimed at stemming the growth of the species-threatening AIDS pandemic. If the measures announced on that date by the Health Ministry are followed by other steps, as yet implicit in the government program, Israel may contribute to effecting a long-overdue shift in government attitudes toward AIDS, and to break the stranglehold which the liberal lobby, largely dominated by "gay rights" groups, has had over preventive action. Internally, the testing measures announced will also tend to fuel the renewed momentum in Israel toward a project-oriented economic policy, abandoning the recent trends toward "post-industrial" service sector thinking.

The announcement, made by Israeli Health Minister Shoshana Arbeli-Almoslino, came during a four-hour meeting held with representatives of the Education and Labor Ministries, and officials from the Israeli Defense Forces (IDF), the kibbutz movement, and the health sector. She announced that AIDS would be listed under the category of communicable diseases, which currently includes smallpox, cholera, malaria, yellow fever, and typhus. By adding AIDS to the list, the health minister deftly took a shortcut through what would otherwise be a time-consuming legislative process, to push a bill for testing through the Knesset (parliament).

According to Israeli emergency health regulations, the director-general of the Health Ministry has the power to "remove, isolate or arrest and send for laboratory tests" anyone who is suspected of carrying a communicable disease. Since, according to current literature on AIDS, prostitutes and intravenous drug users are among the "high-risk" groups of AIDS infected, these social layers can be required to submit to testing.

In her initial announcement, Minister Arbeli-Almoslino said that male and female prostitutes would be tested every six months for the disease. Those testing negative will be issued an "AIDS-free" certificate, which they will be required to show. Anyone practicing prostitution without such a certificate can be arrested, and forced to submit to a test. Those testing positive, will be barred from prostitution. Tests will be administered at government expense and in "complete

privacy," the minister said.

Although a spokesman for the Health Minister told *EIR* that general screening of the population has not been discussed yet, the possibility that the military and education sectors will be screened opens the way for general testing. Mrs. Arbeli-Almoslino did announce that a pilot project screening program will start soon, at an army induction center.

General screening ahead?

This could be the first step in testing all military personnel. Since a large portion of Israel's 4 million inhabitants serves in the IDF, either on active duty or on reserve basis, that would be tantamount to general screening. In fact, the chief medical officer of the IDF, Tat-Aluf Yehuda Danon, in commenting on the AIDS program, said, "If there is reason to check every soldier, then perhaps there is reason to check the entire population."

There is reason, indeed. Israel is a tiny country, with a very small population. Government figures, discussed at the recent inter-ministerial meeting, indicate that from 2,000 to 10,000 Israelis are prostitutes. The number of intravenous drug users is also high. In addition to these so-called "risk groups," the broader layers of the population have been experiencing a drastic cut in living standards, due to austerity measures over the past years.

The sector which was most seriously hit by the cuts, ordered in compliance with International Monetary Fund conditionalities, was the health sector—ironically, one of the areas in which Israel is the most advanced. Cutbacks in hospital personnel and funds for medical research were the leading edge of a broader austerity program which has deteriorated living conditions.

As researchers in Belle Glade, Florida and elsewhere have documented in *EIR*, the spread of the AIDS pandemic correlates closely with low nutrition levels, inadequate housing facilities and, especially in tropical areas, mosquito and other insect-infested conditions. Add to this the fact of rampant homosexuality in Arab culture, which predominates in the Middle East, and it is clear that Israel's decision to intro-



A 1986 demonstration in California against Proposition 64, the anti-AIDS referendum. Now the Israeli government has declared AIDS a dangerous communicable disease, as Proposition 64 would have done.

duce testing has come not a moment too soon.

The responses to testing thus far monitored among Israelis have been healthy and rational. The AIDS panic first broke out in Tel Baruj, the area most densely frequented by prostitutes, when the health authorities announced that five prostitutes had been found infected. The majority of the prostitutes willingly submitted to tests, both out of fear of the disease and out of concern that the ensuing panic might destroy the "business." More reluctant were the pimps, whose ranks include a large number of drug addicts. According to a municipal study done in the area, 8% of the prostitutes and 30% of the pimps had tested positive.

Although the government is not yet planning to test homosexuals and bisexuals, for fear of a negative reaction, it is reported that members of the "gay" community have shown great willingness to undergo testing. Prisoners have also been subjected to AIDS tests, on a preliminary basis. According to the head of the health department for the Prisons Service, Dr. Ya'acov Ziegelbaum, 30 out of 4,000 convicts tested had AIDS antibodies, but had not yet developed symptoms of the disease.

Measures including the use of "one-way" resuscitation masks have been introduced into hospitals, to protect health workers from possible infection.

Will to survive

The fact that there does not appear to be a large "gay" lobby-led effort to block effective measures against AIDS in Israel is coherent with two other developments internally which have manifested an underlying "will to survive" in the national ideology. First, is a broad debate on euthanasia which was sparked by proposed legislation to introduce a "Patients' Bill of Rights." Reflecting similar "right-to-die"

legislation passed or under discussion in the Netherlands, Switzerland, Great Britain, and the United States, the Bill of Rights would allow a patient to refuse treatment.

Dr. Ram Ishai, the head of the Israel Medical Association, has voiced his objection to the proposed legislation, on the grounds of medical ethics, which he feels are not adequately considered by the bill. As analogous cases in Western Europe and the United States have shown, once compromises are made with such "right to die" legislation, the way is opened for institutionalizing euthanasia of persons afflicted with "incurable" diseases, first and foremost among them, AIDS.

Second, the recent Cabinet vote to discontinue the controversial Lavi jet project, has signaled a shift in overall government economic thinking (see page 44). The Lavi project, promoted by former Minister without Portfolio Moshe Arens and Industry Minister Ariel Sharon, aimed at transforming Israel into a weapons-producing economy.

Sharon's allies internationally are associated with the later Meyer Lansky's organized crime grouping, which has been engineering to make of Israel a "little Switzerland" banking haven for the proceeds of illegal drugs and weapons traffic. With the vote against the Lavi, the Israeli cabinet also voted implicitly against this economic perspective, in favor—it is hoped—of a return to the Marshall Plan development perspective launched by Foreign Minister Shimon Peres.

To deal with the root causes behind the AIDS pandemic, it is urgent not only that public health measures of testing, quarantine, and crash-program research for a vaccine and cure be undertaken, but that the resistance levels of the population be raised through better living standards, generated by economic development projects of the type outlined by Peres.

Herpes and AIDS: danger signals

Newly discovered herpes viruses may herald the next wave of the AIDS pandemic.

Two reports in the Aug. 15 issue of the British journal *Lancet* indicate that a newly discovered herpes virus, which has been shown to infect B-lymphocytes, can also grow in, and destroy, T-cells, one of the target cells for the AIDS virus. Two isolates of this virus were reported from Uganda and one from Gambia.

This virus, originally called Human B-cell Lymphotropic Virus (HBLV), has been studied as a potential cause of chronic mononucleosis syndrome. In light of its ability to also infect T-cells, the authors propose to call it Lymphotropic Human Herpesvirus (LHV).

The Ugandan isolates were found during routine attempts to isolate human immunodeficiency virus and other viruses from patients with AIDS. In two such cases, no trace of HIV (the AIDS virus) could be found and the culture cells showed an unusual appearance and the presence of high concentrations of a virus with the typical appearance of a herpes virus.

Serologic testing of this virus showed no reaction to antisera against most of the usual herpes viruses, such as herpes simplex which causes cold sores, and a weak non-specific reaction to Epstein-Barr virus antiserum.

The Ugandan viruses reacted strongly with antiserum to HBLV, a new herpes virus discovered in Dr. Robert Gallo's laboratory last year. At the time, it was believed that this virus only infected so-called B-lymphocytes and might play a role in certain lymphatic cancers and might be in-

involved in causing the chronic fatigue syndrome associated with the Epstein-Barr virus, another herpes virus which causes mononucleosis. However, the cells from which these viruses were cultured were T-lymphocytes.

The Gambian virus was isolated from an HIV-2 positive AIDS patient, and, like the Ugandan virus, appears to be closely related to HBLV and also to infect T-lymphocytes. Subsequent serologic studies showed that 18% of a group of British blood donors had evidence of exposure to this virus.

If HBLV turns out to be involved in the Chronic Epstein-Barr Virus Syndrome, the implications are serious, since there is substantial agreement that this virus is transmitted "casually," that is to say, in saliva and respiratory aerosols. Present indications are that Chronic Epstein-Barr Virus Syndrome (CEBV), or chronic mononucleosis syndrome, has afflicted a large number of people in the United States, primarily young to middle-aged females in the middle to upper socioeconomic strata. If this virus can also cause cancer, immunodepression, and the neurologic disease associated with CEBV syndrome, then we have a second major pandemic on our hands.

Some evidence for this unwelcome possibility comes from a clustering of cases of Burkitt's and other non-Hodgkin's lymphomas in adults exposed to a visitor from Africa. In this case, 4 of 12 relatives of an ill visitor from South Africa came down with Burkitt's type lymphomas within

a year of her visit. Burkitt's lymphoma is caused by Epstein-Barr virus infection in African children who are chronically immunologically stimulated by malaria infection.

While the visitor had evidence of Epstein-Barr virus infection, as did a number of the exposed relatives, two of the four relatives who developed tumors had no antibodies to the virus. This is consistent with infection with another agent (HBLV?), with secondary activation of pre-existent Epstein-Barr virus.

The isolation of the current African viruses follows a report several months ago of a T-cell lymphotropic herpes virus isolated from two AIDS cases in South Africa, one of whom had no evidence of infection with HIV, the usual AIDS virus. While the researcher who isolated this virus from T-cells claimed that it was different from HBLV, he had not yet tested it against probes for HBLV, which he claimed he was having difficulty obtaining from Dr. Gallo. His claim was thus based on the fact that this herpes virus grew in T-cells.

It would thus appear that in addition to HIV, the widely prevalent herpes viruses are acquiring the ability to produce increasingly severe disease among immunodepressed populations and represent a significant potential for epidemics of immune deficiency, cancer and nervous system disease.

This is yet another confirmation of the 1974 prediction by Lyndon H. LaRouche's Biological Holocaust Task Force, that the impoverishment enforced in Africa, and other developing sector areas, would lead both to resurgence of the classic epidemic diseases and to the evolution of new diseases, which would spread as the current epidemic of AIDS and chronic mononucleosis-like disease is spreading in the United States.

French seek support for 'Marshall Plan'

by Yves Messer

The French government has launched a new offensive on behalf of its "Marshall Plan" to save Third World countries from starvation (see *EIR*, April 10, 1987). Since French Prime Minister Jacques Chirac was convinced by his agriculture minister, François Guillaume, of the necessity of helping starving countries around the world, the French government has been trying to take the leadership of industrialized nations in this project.

The principle of this Marshall Plan is much the same as the original American aid plan for war-devastated Europe in 1947. It aims first to extend emergency aid to starving countries with food surpluses, chiefly coming from Western countries; and second, to finance technology transfers with the profits generated from a stabilized price policy. The slogan is "bread and tractors" for the Third World.

The first public moves were made in March-April this year when Chirac visited the United States and openly criticized the International Monetary Fund, and when Guillaume met with Pope John Paul II, who supported his proposal. This diplomatic offensive was made possible after the release in January of the Pontifical "Justitia et Pax" Commission's study on world indebtedness, which condemned the usury of the international banks.

A new offensive was opened by Chirac and François Guillaume in August. First, Chirac gave a speech Aug. 31 in Montreal, where he held blamed certain private and international institutions for the "dramatic" situation of certain Third World countries. Before an audience of Quebec businessmen, the French prime minister denounced the "disengagement of private banks from developing countries and the selfishness of certain superpowers, namely Japan and the United States."

"The industrialized countries," he added, "have the moral, economic, but also political duty to provide a response to the problems the Third World is facing." Chirac criticized also the "technocrats" policy, a pointed barb against the European Community Commission in Brussels. This last attack was not part of his written speech, but added spontaneously by Chirac.

Guillaume in Africa

In tandem, Guillaume is touring Third World countries seeking international support. He is slated to visit the United States before the end of this year and expects to need new

"arguments" in his suitcase to convince the American bureaucrats. The first leg of his tour took him to the African countries of Ivory Coast, Mali, and Chad. On Aug. 25, he met the "wise man of Africa," Ivory Coast President M. Félix Houphouët-Boigny. "The Americans know quite well," warned Guillaume in Abidjan, that Ivory Coast and its President are stabilizing elements in Africa. "Therefore they will be affected by Mr. Houphouët-Boigny's position."

Guillaume continued: "I came here in order to ask for your support. Your moral authority among political officials will permit us to more effectively help developing nations which are starving." The African President commented: "What is desirable is necessarily what is possible. Therefore I hope that donor-countries will rapidly follow this proposal. But my role in the implementation of this plan is purely a moral one, because I don't have means."

Guillaume met also with his Ivory Coast counterpart, Bra Kanon, with whom he concluded an aid contract for France to build a new National Agricultural High School in Yamassoukro city. France will donate some 2.6 million francs toward this project. Guillaume stated that "Mr. Chirac intervened recently with the World Bank to support your request for financing." During his visit, Guillaume also studied the need for a relatively advanced country like Ivory Coast to have the capability to process its own agricultural products. For this purpose, France will send a delegation of technical experts to Ivory Coast.

In Mali, the Guillaume proposal was likewise endorsed, as this country is one of the most stricken by the Sahel drought. The Malian minister of agriculture commented, "François Guillaume's approach is humanitarian and political." France proposed to play an intermediary role in South-South trade, and agreed, for instance, to buy 4,500 tons of Mali surplus and give them to Mauritania whose population is suffering starvation.

In Chad, the French agriculture minister met on Aug. 28, with President Hissène Habré, who is embroiled in an effort to kick Qaddafi out of his country.

Because of Chad's enormous economic investment in military efforts, the idea of a new Marshall Plan was well received. This country has great economic potential, not only for itself but for the development of all the countries of the Lake Chad basin, and for Africa in general. Chad has also been hit by drought in its northern part located in the Sahel belt, while its southern part often has surplus production. France agreed, as in the Mali case, to buy 2,000 tons of grain from the south and sell it to the north. The proceeds of this operation will be invested to foster farming there.

After this African tour, on Sept. 11-18, Guillaume plans to visit Asian countries, such as Bangladesh, Thailand, and Japan. These countries' backing of the French proposal will be an important factor at the Sept. 21 meeting of the European Community agriculture ministers, where the "Marshall Plan" is to be debated.

Argentina on road to 'informal economy'

by Cynthia Rush

Over the past month and a half, Argentine President Raúl Alfonsín, Finance Minister Juan Sourrouille, and the government economic team have unveiled economic plans to "deregulate" the Argentine economy, completely privatize the state sector, and open up the country to "private initiative," both foreign and domestic.

Although the ideology he is following is exactly that peddled by the U.S. "secret government" and its so-called Project Democracy, Alfonsín isn't promoting legalizing the drug-based "informal economy," as is Peru's radical libertarian Mario Vargas Llosa, and his sidekick Hernando de Soto of Lima's Institute for Liberty and Democracy, the latter a major recipient of funding from the pro-drug National Endowment for Democracy.

He doesn't have to. If the plans Alfonsín has outlined are implemented, Argentina will become one gigantic "black economy" where the proceeds from drug trafficking, prostitution, and gambling will be deemed as important as income from productive activity.

The "every man for himself" mentality which has emerged with the destruction of Argentina's industrial apparatus, will become the norm under such conditions.

Goodbye, economic sovereignty

On July 20, Finance Minister Juan Sourrouille gave a nationally televised speech, signaling the government's deregulation offensive. The finance minister charged that the nation's economic problems were due to existence of an "obsolete model of development" based on a "populist, closed, and centralized state model."

What is needed, Sourrouille said, is a strategy "that will integrate our internal market further with international trade," and build a "new type of state . . . [that will] release productive energy through a reduction of regulations."

Argentina's foreign creditors, chief among them New York's Citibank, have long demanded precisely this type of "opening up" of the economy as a condition for new loans. During a recent visit to Argentina, Citicorp President John Reed informed the Alfonsín government that all future loans would be based on Argentina's acceptance of debt-for-equity and "debt capitalization" arrangements, which allow foreign

creditors to grab national assets through "investment" in state sector companies.

Back to the bad old days

Former Finance Minister José Martínez de Hoz earned the enduring hatred of Argentine patriots for his policy of "opening up" Argentina to international competition. This not only destroyed national industry, but turned the country into an international "hot money" center for short-term, speculative investment.

But Alfonsín is willing to repeat that experiment. In a mid-August meeting with some of the nation's most influential industrialists, he promised that prior to the important Sept. 6 elections, his office would announce the "elimination of the monopoly of the state companies, and permit the private sector to compete in the same areas."

Argentine business leaders are desperately seeking a way out of an economic crisis which, over the past five years, has caused the disappearance of 17,000 small and medium-sized businesses, the loss of 200,000 manufacturing jobs, and an 18% drop in the per capita gross industrial product. Current interest rates stand at 15% monthly, while sales and exports are dropping.

Alfonsín's response has been to offer a development program for the unpopulated Patagonia region, modeled on what Henry Kissinger and David Rockefeller proposed for the Caribbean and Central America: The creation of Hong Kong-style "free enterprise zones," in which activities related to the drug trade can flourish, unhindered by the restrictions and regulations of the "oppressive state."

The weekly *Somos* magazine reported in its Aug. 18 issue, that such zones will be entirely "linked to foreign investment, which will have more liberal [economic] regimes."

This debate has encouraged other local agents of the Project Democracy apparatus to come crawling out of the woodwork. On Aug. 27, long-time Kissinger associate Mariano Grondona dedicated his daily radio show to a discussion of the virtues of the "informal economy," which he described as real, "creative" capitalism; like Peru's Hernando de Soto, he demanded that the underground economy be legalized.

Grondona's radio partner, Bernardo Neustadt, has carried several live interviews with Vargas Llosa and de Soto, from Lima, in which he praised their fight against "economic dictatorship."

More indicative of the environment was the commentary of former Peruvian Foreign Minister Oscar Camilión, in the Aug. 27 issue of *Nueva Provincia* newspaper. A member of Sol Linowitz's Inter-American Dialogue, which recommends that Ibero-American nations "consider" legalization of the drug trade, Camilión criticized Peruvian President Alan García's bank nationalization, and praised Mario Vargas Llosa. Echoing the attacks of the pro-terrorist "human rights" lobby, Camilión also blamed García for using excessive repression in a prison uprising in Lima last year.

No surprises for the banks

Labor warns against continued submission to the banks by the next administration, but Mexico's creditors aren't worried.

The Mexican Workers Confederation (CTM), the most powerful labor federation in the country, warned President Miguel de la Madrid and leaders of their own party, the ruling PRI, that "either Mexico moves ahead on the road of peace, democracy, progress, and full independence toward a just and free society, or the nation and its people will open themselves up—in the not-too-distant future—to the abyss of violence, of sterile anarchy, of dictatorship, of the most unjust social oppression, and of subordination of the nation to foreign domination."

This warning is contained in a document delivered Aug. 29 by CTM head Fidel Velázquez, to President de la Madrid and PRI President Jorge de la Vega Domínguez, for inclusion in the government program of the PRI presidential candidate in the 1988 elections.

The document denounces the standing policy of open doors to speculators, denies that there exists an "economic recovery," as the President and his economic cabinet have insisted, and maintains that "the reactionary forces . . . believe that the moment for their assault against power has arrived," and that these forces—the narco-bankers—"already pose a serious threat to national development, the public health of the Republic, to the morale of the people, and against sovereignty and the [1910] Mexican Revolution."

Velázquez timed the delivery of

his document for publication on Sept. 1, the day of the historic fifth State of the Nation address by the President. The document constitutes an open challenge to de la Madrid's insistence that there will be no change in the austerity policy for paying the debt over the year remaining to his administration. "In addition to unemployment and decline in purchasing power, the present economic model presents evidence of obsolescence and decay," the CTM says.

The declarations of Velázquez, prominently covered in all the national press, rivaled those of Finance Minister Gustavo Petricioli, who put out the official line that "the crisis that threatened social peace is now under control." The CTM document argues that the debt "should not be paid at the cost of the priority interests of the people and the nation."

The PRI will be releasing its government program for the 1988-94 period on Sept. 22, after which it will release the name of its presidential candidate.

This is the first time since 1929 that the ruling party of Mexico will try to impose a program on its presidential candidate, before deciding officially who that candidate will be. This is because President de la Madrid and the group of oligarchs, known as the "revolutionary family," who have ruled Mexico during the past five years, are committed to meeting payments on Mexico's \$100 billion foreign debt during the next six years.

The creditor banks want to be certain that the next President of Mexico will not pull a surprise debt moratorium out of his pocket—as former Brazilian Finance Minister Dilson Funaro did—nor adopt the so-called Peruvian model of allocating only 10% of export earnings to paying the foreign debt.

In his presidential address, de la Madrid reiterated his pledge of submission to the banks. "We don't wish to declare economic war against the world," he said. His report was a detailed recounting of the "structural changes" achieved during his government: open doors to the multinationals' slave-labor assembly plants, which produce only for export; export of anything and everything that could be ripped out of the land, such as mining, agricultural and fish products; tourism; and the dismantling of the state sector companies. All to pay the debt.

As a result of this policy, and the brutal austerity of the past year, Mexico has managed to accumulate nearly \$16 billion in international reserves, which—according to de la Madrid—will be used only for "moderate growth," so as "not to jeopardize what has been achieved so far."

During the last weeks of August, the PRI hierarchy decided to reveal those six members of the de la Madrid cabinet who are considered the leading "hopefuls," through individual "sales presentations" to the PRI executive. While not all of these are viewed as the bankers' stooges, each one gave credibility to the lie of the Mexican "economic recovery," as assurance to the bankers that no surprises lie in store for them.

It was hardly a surprise that, despite belonging to the national executive of the PRI, CTM leader Fidel Velázquez refused to attend any of the pre-candidates' presentations.

Machine-tool figures belie 'recovery'

by Marcia Merry

On the first of this month, a conflicting picture of the economy was painted by statistics from government and industry agencies: 1) the administration's "leading indicators" index showed that the economy is in the "58th straight month of expansion," while 2) orders are plunging in the U.S. machine-tool industry—the measuring rod of capitalization of technology and industry. What this shows is that, as the "post-industrial recovery" is proceeding, so the industrial base of the country is collapsing.

From June to July, U.S. machine-tool orders fell by 19.7%. Officials for the National Machine-Tool Builders Association, which released the figures, say that summer seasonal factors can account for some of the drop, but many companies report that despite a lot of "quoting" of price estimates going on, there is no upswing in sight on definite orders.

Machine-tool orders in July were 4.2% below a year ago. Orders in July totaled \$162.9 million, compared with \$170.0 million in July of 1986. Because of the fall in the value of the dollar, there has been an uptick in foreign orders for U.S. machine-tools—there has been a 26.1% rise in exports, but whether the surge will turn into a trend is still "in the future."

On Sept. 1, the nation's largest machine-tool building company, Cincinnati Milacron, announced intentions to sell its metal-fabricating division, which produces iron castings used in Milacron products. Milacron has potential orders pending, but if these do not materialize soon, some shutdown of capacity will take place. As new orders have declined, the industry has worked down its backlog of orders from last year's levels by 13%. Because of the recovery, there is no use for the apparent "slack" capacity.

The "leading indicators" used by the government, which supposedly show how well the economy is doing, are a snake-oil concoction of measurements, skewed by such things as the sharp increase in stock prices over the summer. Another indicator is the rise in prices of materials the government economists regard as sensitive to business.

The latest leading indicator monthly index, released Sept. 1, showed a 0.5% increase from June to July. The largest contributor to this increase was the rise in the proportion of

companies (which participate in the survey) that have reported slower deliveries from their suppliers. In June, 57% of companies reported such slow deliveries; in July, 62% reported slow deliveries. Government analysts regard this as a sign of bottlenecks, that shows the economy is expanding!

The July advance in the leading indicator index was the sixth straight month of increase, which the government calls "a modern peacetime record."

Industry officials, however, have sounded the alarm about the failing machine-tool industry, especially from the point of view of the defense industrial base—tooling for modern aircraft, tanks, vehicles, and even ammunition itself.

James Gray, president of the Machine-Tool Builders Association, speaking at a December 1986 symposium on "Threats to the U.S. Defense Industrial Base," sponsored by the American Defense Preparedness Association, said, "The American machine-tool industry is in very, very serious trouble." He reported, "In the last month, three old, prominent machine-tool builders have thrown in the towel. One of them was one of two companies that manufacture the equipment for small caliber ammunition packing and loading. In the last five years, about one-quarter of the companies in the industry have gone away. Since 1980, imports have grown from less than one-quarter of the market to about one-half of the domestic market, and in some critical segments of the market, like computer-controlled machining centers and lathes, imports now supply nearly two-thirds of the U.S. market."

Gray then took a sideswipe at the credibility of the government's evaluation of the economic boom. "Listen to this. In real terms, the cyclical peak in the current economic recovery is only about one-third of the previous cyclical peaks. Or to put it another way, the recent cyclical peak was lower than the cyclical troughs during the recessions of the 1960s and 1970s."

At the beginning of the year, voluntary agreements went into effect with Japan and Taiwan. Under the accords, these countries are to restrict exports of machine-tools to the United States for the next five years. However, U.S. industry has not been retooling for continued economic activity, despite all the riffs and flourishes about economic growth. When the demand for machine-tools is low, the restriction on imports itself will not help the lack of demand. Some 30 years ago, machine-tools accounted for about 7% of durable equipment purchases in the United States. In 1985, machine-tool purchases in the United States were 1.2% of durable equipment purchases.

Ironically, one of the upswings in orders for U.S. machine-tools over the past six months, in May and June, came from the shutdown process in the auto industry. Machine-tool orders totaled \$205.8 million in June. Because the big automakers are closing down so many plants, they are replacing the production at the closed plants with purchases from outside suppliers, who in turn placed orders for some new machine-tools.

FSLIC's junk bonds doom agency

Will Drexel Burnham's Michael Milkin underwrite the issue for the savings banks' deposit-insurance agency?

Only partly as a joke, some senior staffers of the Federal Home Loan Board Bank have circulated a proposal that the agency's forthcoming \$10 billion debt issue be underwritten by Drexel Burnham's "junk bond" king, Michael Milkin. Since the FSLIC's paper has no better chance of repayment than the IOUs on which high-rolling corporate raiders pay 12% and up, why not treat it the same way, they suggested.

In fact, the FSLIC's debt-issue, authorized by the banking legislation President Reagan signed into law last month, will carry a high rating, but for reasons which doom the savings banks' deposit-insurance agency: Bondholders will be given a first lien on all future insurance premiums paid to the agency by its members. "Otherwise, nobody would buy them," one staffer commented.

Congress, now debating whether the Treasury will be able to spend any money at all after the federal debt ceiling expires Sept. 23, was in no mood to put real money into the bankrupt federal agency, which ran out of funds last February. Since then, the Federal Home Loan Board Bank has kept the 500 or more "brain-dead" S&Ls afloat, by administering what staffers call a "federally sponsored Ponzi racket," channeling new deposits into failing S&Ls in small amounts under the \$100,000 guarantee limit.

Under the just-passed banking legislation, the savings and loan industry supposedly will bail itself out,

by forcing healthy institutions to pay higher premiums to cover interest to bondholders. The scheme is faulty, for several obvious reasons.

First, the \$10 billion-plus the FSLIC will borrow barely dents the \$50 billion which the agency should spend to close out bankrupt institutions. It means that the federally-sponsored Ponzi game will continue, except for some cosmetic cleaning up of a few worst cases. Meanwhile, the FSLIC, by enticing new deposits into failed institutions to pay off older ones, will continue to add to its future bills.

Secondly, the S&L industry as a whole is losing money now, and likely to lose much more money later. Between 1985 and 1986, the delinquency rate on the S&Ls' average portfolio of mortgages rose from 2% to 4%. By mid-1987 it had risen, and remained, above 6%, an impossible figure for an industry whose average net worth stands at less than 1% of assets. The higher losses derive from the collapse of the commercial real-estate market, into which the S&Ls plunged under the impetus of banking deregulation early in the 1980s. That is, if only one-sixth of the delinquencies turn into losses, the industry will be insolvent.

Third, the shrinking number of profitable S&Ls will bear a proportionally greater burden of insurance premiums, as the higher level of losses work their way through the industry. These institutions are already scrambling to leave the savings-bank system, in order to evade the higher pre-

miums. Thus far, the regulators have prevented them. But FHLBB specialists believe they will find a means of escape before long, wiping out the premium-base of the FSLIC for good.

None of this, however, should worry regulators nearly as much as the implications of present market conditions for S&Ls.

Long-term government bond yields approaching 9.5% as of Sept. 2 are the harbinger of a drastic, across-the-board increase in interest rates. Savings banks still have on their books an enormous volume of mortgage-backed bonds, which represent a fifth of their total portfolio. These have lost a huge portion of their market value during the past 20 months' run-up in interest rates.

If short-term interest rates rise to the 8.5-9.0% level, perhaps half the thrifts in the country will lose money on the simple differential between the average earnings of their mortgage portfolios, and the cost of their deposits—apart from mounting losses. Even if the Federal Reserve were able to hold interest rates down on the short end of maturities, the continuing collapse of long-term bond prices can wipe out S&Ls' liquidity.

During the first half of 1987, savings banks substituted short-term sales of their long-term securities (so-called repurchase agreements), for deposits that were flowing out. Savings outflows exceeded inflows by \$15.6 billion, compared with a net inflow of \$1.7 billion over the same period in the past two years. Correspondingly, during the first half of 1987, thrift holdings of reverse repurchase agreements jumped by \$22.3 billion, almost double the increase posted during all of 1986. If long-term bond prices continue falling, the effective cost of money in repurchase agreements jumps in tandem, adding to savings banks' losses.

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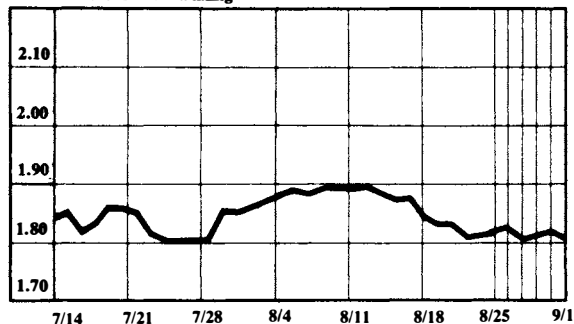
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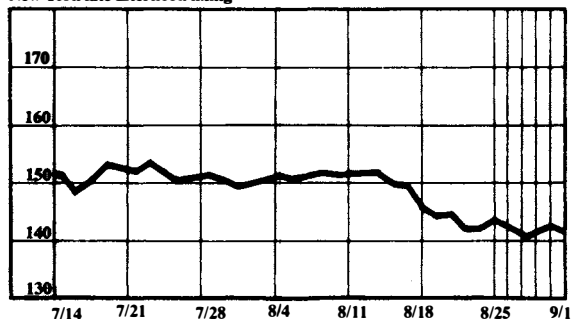
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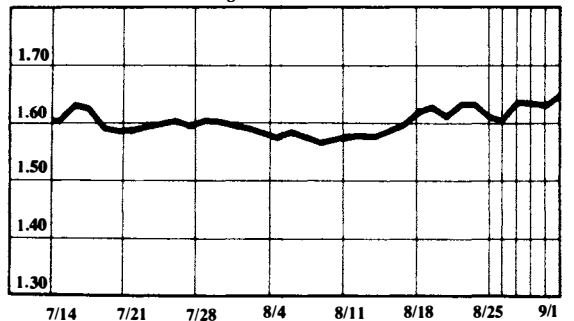
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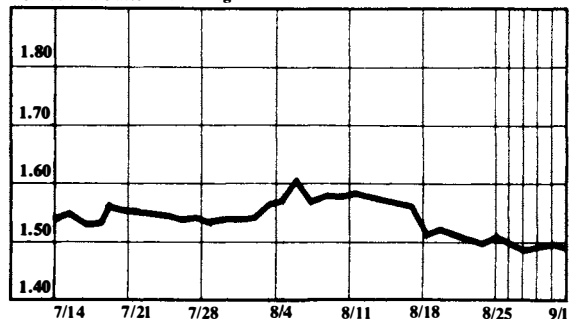
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How overvalued is the dollar?

A new study shows that United States securities are vastly inflated.

Contrary to Adam Smith's slanders, the great mercantilist Colbert did not seek a trade surplus for the pleasure of accumulating bullion reserves, but because a country's capacity to export a net portion of its product was, and is, an excellent rule-of-thumb measure of its capacity to produce a surplus of physical goods, over and above maintenance costs.

By the old mercantilist standard, America's nearly \$200 billion per annum chronic trade deficit demonstrates that the entire economy is running at a net loss in physical-goods terms.

That seems to jar with the tripling of the price of U.S. equities since August 1982. But as *EIR* reported recently ("Italian banker forecasts the end of the great bubble," Aug. 28, 1987), the supposed earnings boom underlying the stock market is entirely illusory. Deduct unreserved losses of financial institutions, increases in the paper value of corporate real-estate holdings, and related categories, and U.S. corporate earnings evaporate. Retailers' \$58 billion profit, the largest single component of corporate profits, makes the point: retailers buy cheap goods abroad, particularly in Third World markets, at a third their home-production costs, and sell them at home prices. The biggest component of U.S. corporate profits on paper actually reflects the collapse of the home economy's profitability in physical terms!

Now, the Tokyo branch of S.G. Warburg, the British investment bank,

has published a remarkable study, deflating American corporate earnings to match much more stringent Japanese standards. The result: Supposedly overvalued Tokyo stocks are still much cheaper than American equities. *EIR* has not proofed Warburg's results, and is suspicious of the firm's investment recommendations; but the study nonetheless sheds light on the hoax behind the New York stock bubble.

Analyst Andrew Smithers simply recalculated the price-earnings ratios for the New York, London, and Tokyo stocks markets, after adjusting for accounting differences which change the definition of "earnings." To start with, Japanese firms function like investment trusts, that is, they own substantial shares in each other. "Almost exactly half the shares quoted on the Tokyo Stock Exchange are beneficially owned by other quoted companies," he writes. But the dividends which companies receive from their shareholdings in other companies are not counted in their earnings as reported to shareholders.

Much more significant in the recalculation earnings than this form of underreporting, however, is the difference in rates of depreciation in Japan. Japanese companies, encouraged by a tax code that gives generous advantages to new capital investment, write off the value of their capital equipment much faster than American companies—in some cases, three times as fast. Faster depreciation of

capital goods cuts into short-term profits—because the write-down of old equipment's value comes straight out of earnings—but it contributes to future profits, by clearing the way for investment in newer and better technology.

In fact, the rate of depreciation corresponds closely to an economy's profitability in physical terms: A growing economy will replace its capital stock more quickly, writing down the value of the old junk as fast as possible. America's 1986 tax "reform" went in precisely the opposite direction, eliminating about \$25 billion a year in depreciation of capital goods for tax purposes.

Warburg's study threw out American companies' dubious bookkeeping methods, and looked at the price of shares on the basis of *cash* earnings, eliminating the difference in depreciation methods. The remarkable result, after all the adjustments, shows the average price-earnings ratio in the Tokyo stock market at only 8.3, lower than Britain's 10.3 and Wall Street's 9.0.

Nominally, the price/earnings ratio of the Tokyo stock market as a whole at the end of June stood at 58.2. That has led to talk of a Japanese stock-market crash from supposedly dizzy levels of speculation. Foreigners have been liquidating Japanese shares; they sold \$26.3 billion last year. Meanwhile, foreign companies invested \$25 billion in the U.S. market in 1986. So far this year, British companies alone have bought \$22 billion of U.S. stocks, against \$13.6 billion last year.

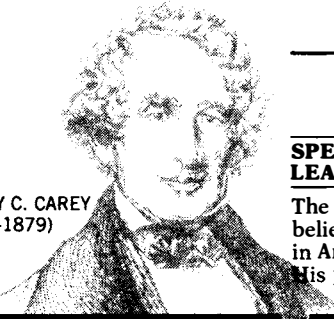
Whether Japanese shares are overvalued or not, *EIR* will not guess. However, the apparent overvaluation relative to the American market, a source of cheer to bull-market prognosticators, is strictly a function of phony bookkeeping in the American corporate sector.

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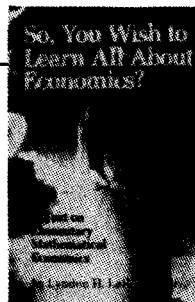
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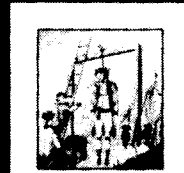
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Congress and the disarray at FCS

Lawmakers have several proposals for a bailout before them, all premised on the lie that there is too much food in the world.

The chief lending agencies for \$83 billion in U.S. farm debt—about half of the national agriculture-related debt—have reached a state of disarray comparable to the Federal Savings and Loan Insurance Corporation's condition in the face of the savings and loan crisis.

Already before Congress is a proposal to reorganize the Farm Credit System, and provide some multibillion-dollar bailout. FCS assets have dropped from \$80 billion to \$55 billion in the last few years. A significant percentage of its outstanding loans are delinquent, and several of its 12 operating districts, consisting of networks of Intermediate Credit Banks, Federal Land Banks and Production Credit Associations, have been operating in the red.

Though much smaller, the Farmers Home Administration (FmHA)—the government lending agency of last resort—is likewise in trouble. As of June this year, delinquencies amounted to \$7.8 billion of the agency's \$28 billion in total outstanding debt.

In the case of both lenders, the policy of their top governors, and the orientation of Congress and the administration, has been to push for "fiscal reform" measures that ignore the condition of the underlying farm crisis. Nor is any thought given to affordable credit for farmers, required to maintain and expand the food production system. The farm debt "reform" measures proposed so far, are

premiered on the lie that there is too much food in the world, and too many farmers.

The weekend of Aug. 30, the 80-member board of the Farm Credit System met in Sacramento, California and agreed to a set of radical FCS reorganization measures that they believe will placate Congress, and lead to a federal bailout of \$6 billion this fall. The 12 districts of the FCS will be consolidated into 6 districts. Within districts receiving federal assistance, a proposal will be placed before the stockholders to merge the Federal Land Banks and Federal Intermediate Credit Banks. In those districts where such a merger takes place, a proposal will then be put before the stockholders within a year, to consolidate their Federal Land Banks with their Production Credit Associations.

The overseer of the Farm Credit System, Frank Naylor, former top USDA assistant secretary and now head of the Farm Credit Administration, says that the current overhead of the 37 FCS banks and 387 associations is running at \$800 million a year. "We simply can't have that kind of overhead."

This consolidation of the FCS network is not merely a management overhaul, but represents a planned shrinking of credit and a change in the farm debt market as well. The House Agriculture Committee has already approved a measure to create a federally guaranteed secondary market in

farm loans. As it is, the FCS is not federally backed, but is privately incorporated and raises money on public bond markets.

The new House proposal—nicknamed "Farmer Mac," or "Aggie Mac"—would give federal backing to all farm loans, not merely the FCS loans, for the first time.

In a show of "fiscal concern," Naylor was extensively quoted on how the new FCS policy will be to get tough with farmers, and collect on their loans. At a press briefing Aug. 27, he said, "We've found in some cases that, if the management will just make the contact with the borrower, 80% of the interest due on nonaccruing loans was actually collectable. But the industry average right now is about 11%." He said that the FCS lending agencies will therefore press harder on farmers.

The FmHA effectively stopped extending loans in recent months, for lack of funds, except for farm disaster loans. In 1982, the agency directed farm lending officials to pursue tens of thousands of delinquent borrowers. Of the \$7.8 billion worth of delinquent debt, \$6 billion of it is accounted for by emergency disaster loans—which by definition are in hard-hit locations. Thousands of farmers resident in federally designated disaster districts avoid these loans, because they must pledge their farms for three years as collateral.

Congress, the courts, and local communities have strenuously fought the FmHA implementation of farm foreclosures. But neither they nor the agency has come up with an alternative.

The latest move on FmHA debt was to sell some of it off, at a discount, in the agency's new "credit management improvement" campaign. During the month of September, \$1.9 billion in FmHA rural development loans will be offered at about 58¢ on the dollar.

Business Briefs

Energy

Maine utility files for bankruptcy

One of the bitter fruits of the environmentalist harvest was reaped Aug. 31 when Eastern Maine Electric Cooperative filed for Chapter 11 bankruptcy because of the financial difficulties imposed by the delays in the Seabrook, New Hampshire nuclear plant.

The plant, ready but not operating because of environmentalist objections, is owned jointly by 12 New England utilities. The largest share, 35.6%, is held by Public Service Company of New Hampshire, which has announced a restructuring similar to a Chapter 11 bankruptcy.

Environmental challenges and regulatory changes have added \$3.6 billion to the cost of the 1,150-megawatt Seabrook plant. The plant has been ready to go on line since summer 1986, and every month that it stays closed costs the utilities \$50 million, of which \$40 million is interest.

Meanwhile, New England has already begun to feel the effects of power shortages this summer, with a 5% voltage reduction. Electricity use in the region has grown 120% faster than the demand for power nationally, averaging 5% in 1986, and major shortfalls are predicted in the next few years.

Medicine

Prospects are 'bleak' for an AIDS vaccine

At a conference of the National Academy of Sciences' Institute of Medicine on Aug. 31, scientists reported on the difficulties of finding a vaccine against AIDS, and called for a "Manhattan Project"-type effort to crack the problem.

"The vaccine effort is running into serious problems," said David Baltimore, director of MIT's Whitehead Institute, and a leading AIDS researcher, according to the Sept. 1 *Philadelphia Inquirer*. "Last year we estimated a minimum of five years. Things today, if anything, seem bleaker than

that." Other speakers pointed to the complexity of the virus, its ability to disarm the immune system, and its capacity to attack the central nervous system in addition to blood cells.

Dr. Paul Volberding, director of AIDS activities at San Francisco General Hospital, said, "Clearly the chimpanzee work has no necessary relevance to what we can find in humans. Even antibodies people develop themselves to fight the disease don't work."

Dr. William Haseltine of Harvard Medical School said that, given the problems with a vaccine, "therapy will have to be the key." "An organized Manhattan Project-type approach is, in some ways, needed. There is a real need for coordination in drug development." Dr. Edward Skolnick said, "We . . . need to ask ourselves whether we need another type of national effort, akin to what was done in the 1940s with the A-bomb development."

Banking

Corruption scandal hits Yugoslavia

Sixty-three banks in Yugoslavia may be forced to close, as a result of a financial scandal being described in the Yugoslav press as the "biggest blow to the Yugoslav economy in postwar history . . . the tip of a nationwide iceberg of financial corruption."

The affair involves an agro-industrial firm, Agrokomerc, in the mainly Muslim republic of Bosnia, which is accused of having issued as much as \$500 million in uncovered promissory notes. The company had been key to a number of planned industrial projects, and its troubles are expected to lead to worker unrest.

Meanwhile at a joint session of the Yugoslav parliament, Vice President Zemljarić warned that some of the nation's foreign debt payments may have to be deferred, in light of ongoing financial difficulties. About 76% of Yugoslavia's \$17.8 billion debt is coming due within the next five years.

"Under the conditions of more and more restricted financial world markets," he said, "this would certainly render normal repro-

duction in the Yugoslav economy impossible and would prevent its technological development. . . . These reasons impose the necessity that the pace of our debt repayment be reconsidered. Therefore, all the aspects of Yugoslavia's foreign liquidity and its relations with all the classes of creditors are being studied and the development requirements and export possibilities examined. Preliminary talks on these questions have been started with commercial banks, and with some creditor governments, and with the IMF."

Health Care

Mexico forbids sale of blood

The sale of blood was prohibited in Mexico on Aug. 26, in an effort to curb the spread of AIDS. Private hospital blood banks had detected more than 1,500 AIDS cases, higher than the official figure for all of Mexico. Government AIDS expert Estanislao Stanislavski said that while AIDS is doubling every 12 months as an international average, in Mexico it is doubling every 7 months.

The ban on blood sales has drawn fire from the president of the National Chamber of Hospitals, Jesús Gómez, who said that the nation's blood supply system is inadequate as it is, and the need cannot be met only by donations.

Austerity

Merrill Lynch: shock treatment for Mexico

Merrill Lynch issued a study at the end of August, predicting a disaster for the Mexican government that succeeds that of President Miguel de la Madrid. The failure of the government's austerity policies to "yield the expected results" has endangered the effectiveness of "orthodox policies," and could force application of "shock treatment."

"It is not inconceivable that the political

Briefly

pressure will induce the Mexicans to propose a complete renegotiation of the country's position," according to the report. This would trigger massive new capital flight, inflation of 160% or higher, and a rise in the black market economy. (Mexico City alone has an estimated 600,000 street vendors.) This, in turn, would "erode the fragile financial stability preserved since mid-1986," making "a heterodox shock plan" necessary.

Labor

UAW strike threat looms

The United Autoworkers Executive Board voted to strike the Ford Motor Co. on Sept. 15, unless a new three-year contract is agreed upon first. Union officials said that they will seek a "pattern industry contract" with Ford, and apply it to General Motors and Chrysler. GM's contract expires on Sept. 14, and Chrysler's expires next year.

UAW President Owen Bieber said that Ford was chosen because of the issue of job security, which the union believes that Ford is in the best position to do something about for its employees.

According to the UAW's view of the latest offers made by management on Aug. 27-28, the two sides are still "very far apart."

The UAW has launched a national television ad campaign, claiming that the industry has sent American jobs overseas.

Agriculture

Locust plague threatens African cereal crops

The U.N. Food and Agriculture Organization (FAO) has issued a report warning that swarms of locusts and grasshoppers are threatening cereal crops in Africa.

Desert locusts have moved into northern Ethiopia and eastern Sudan, and some have been sighted in Chad, Mali, Mauritania and

Niger. Early and widespread hatchings of grasshoppers in western Africa also give "cause for concern," says the FAO.

The FAO's refusal—and that of other international organizations and world governments—to take sufficient action last year, contributed to this renewed threat.

The situation is compounded by the fact that several countries in southern Africa will have considerably lower harvests this year than in the last two years, the FAO reports. Production of cereals continues to decline in Mozambique, due to civil strife, and emergency action is needed to prevent further starvation there. In Angola, Botswana, Lesotho, Malawi, and Zambia crops will all be far less than 1986, and in Zimbabwe the crop is estimated to be less than half of last year's harvest.

Defense Industry

TRW pleads guilty in fraud case

The defense contractor TRW, Inc. pleaded guilty on Sept. 3 to 10 counts of making false statements to the Pentagon, and agreed to pay \$17 million in restitution. The terms of the settlement were announced the same day that the Defense Department filed an action in the federal court in Denver, listing charges against the company.

This case is the first in which a company has been charged with fraud based on material it voluntarily submitted to the government about itself. The Pentagon was urging leniency, but the Justice Department is still out for blood. Ranking DoJ officials William Weld and Stephen Trott have launched personal vendettas to "get" the military industrial complex, allegedly to crack down on "corruption." Criminal fines stemming from the DoJ actions could amount to \$100,000.

Moreover, DoJ officials said the settlement does not cover a False Claims Act suit pending in federal district court in Cleveland. That suit also involves claims of fraud and overcharging. The settlement also does not protect TRW from other suits that might be filed.

● **TAIWAN**, second only to Japan in accumulation of foreign exchange reserves at \$63 billion, plans a \$3 billion fund to help developing nations. Economic Minister Lee Ta-hai said that the fund would provide loans to less developed nations to import goods from Taiwan, including transportation equipment, cement, and textile manufacturing machinery.

● **TINY ROWLAND**, chairman of the British company Lonrho, will be in Teheran in mid-September to continue discussions with the Khomeini regime on the purchase of the Wilhelmshaven oil refinery, in West Germany, to refine Iranian oil. The deal is believed to be part of a hostage swap.

● **THE U.S.-U.S.S.R.** Trade and Economic Council will meet in Moscow in December, to discuss joint ventures. It is expected that U.S. Commerce Secretary designate William Verity, a former head of the organization, will attend.

● **TWENTY-TWO STATES** will submit bids to the U.S. Department of Energy for construction of the \$4.375 billion Superconducting Super Collider, which will be constructed beginning in January 1989. The project will create 10,000 jobs, and will bring 3,000 of the nation's leading scientists to the area that is chosen.

● **CHICAGO** Central & Pacific Railroad filed Chapter 11 bankruptcy early in September, and said that the move was designed to prevent the General Electric Credit Corp. from taking control of the company.

● **FAIRCHILD INDUSTRIES**, the aerospace company, announced Sept. 2 that it is selling off its commercial aircraft division and its general industries division, which makes a variety of construction and manufacturing materials. The company has lost \$177 million in the last two years.

Design of cities: in the age of Mars colonization

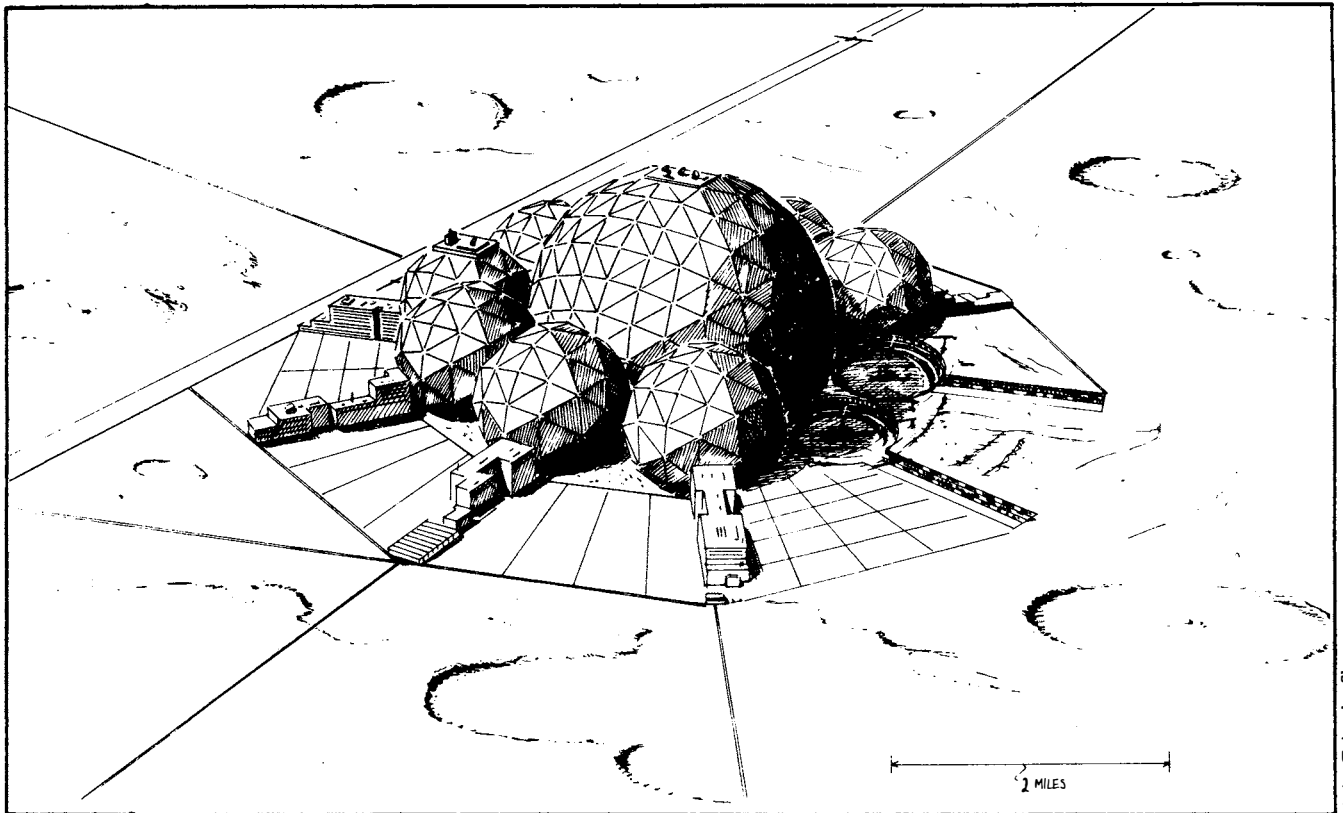
by Lyndon H. LaRouche, Jr.

Planning the colonization of Mars gives deeper meaning to the ages-old task of rendering man's habitation of unfriendly natural environments fruitful, healthy, and as agreeable as possible. We must consider features of the artificial Mars environment other than merely the molecular-biological requirements of the human being. We must take into account the importance of immunizing the psychological well-being of the colonists, against the eerily new kinds of stresses associated with prolonged exposure to the alien environments of space.

We must take into account, in a new way, both the physiological and psychological importance of the architectural design of the local environment in which the explorers and colonists work, and perform their normal personal functions away from the workplace. Admittedly, the permanent colonization of Mars is probably 40 years ahead; yet, even now, in the early stages of planning that colonization, and during the coming months and years, we must set some of the architectural guidelines for planning the future geometry of the new cities, the working space, and the ordinary living space, in which space explorers and colonists will work and live.

Increasing fascination with space-exploration, especially among the young, ensures that whatever we announce as necessary features of the colonization of the Moon and Mars, will have an increasing impact in reshaping the policies governing life here on Earth. Even in the stages when only a handful of Earthlings are actually venturing into space, increasing portions of the Earth-bound population will shift the popular sense of human identity toward the idea of mankind as a space-explorer and space-colonist. This will bring about an adjustment in popular values, a change in the way human beings think about human beings.

During the coming years, while flights deeper into solar space are still mainly in the planning and development phases, more and more people on Earth will look at life here on our home planet through eyes which are becoming, in the informed imagination, the eyes of the space-explorer. With ever-greater frequency, the suggestion will be made, that which we can accomplish in space might point toward the best solution for problems here on Earth.



Kepleropolis is our best guess on the appearance of the first city on Mars. The problem was to design a city capable of supporting 500,000 individuals. The main dome of 1 mile in diameter is built in a near-hemispherical crater and made of some as yet unidentified material which would be transparent, yet block cosmic rays. The sphere of the dome would be placed such that its "ecliptic" was at ground level. At surface level under the main dome would be a large educational/recreational park. Immediately subsurface would be administrative offices. Below that would be various levels of transportation, storage, and a central fusion power facility. Atop the dome is a 1-mile high observatory and communications station. Surrounding the main dome are 10 domes capable of supporting "neighborhoods" of 50,000 individuals each. They are linked to huge industrial buildings extending along 10 radii from the center of the main dome. Areas between the industrial buildings are devoted to terra forming, agricultural, or other activities related to the industries. This particular drawing shows the city while under construction.

This spillover of space planning into practice on Earth, is a sometimes indispensable, as well as a likely result of the growing popularity of space colonization programs.

Over the years immediately ahead, increasing attention to the design of future cities on the Moon and Mars will lead toward the easier recognition of the urgency of the establishment of many new cities on this planet, new cities designed and built—not only in the Sahara Desert—in ways influenced by our thinking about architecture in space. That connection is the subject area within which this report is situated.

To bring this matter within the reach of as many laymen-readers as possible, I begin with reference to some very ordinary features of my own adolescent introduction to "human engineering," to show how this led me to uncovering the scientific principles which should govern proper practice of architecture in space colonization.

'Human engineering'

My first gainful employment began before my 16th birth-

day, in a summer's job as what is called a "hand-dinker"—at 25¢ an hour—in a slipper-manufacturing firm. It represented about as low a level of skill as one might find in such a place. My assignment was to stand at a wooden block, with a die in the left hand and a shoe-cutter's mallet of several pounds weight in the right, and to punch out as many of the same object as I could, over and over again, each hour. At first, that work seemed to me about as boring as one might imagine. I quickly realized that it need not, and should not be boring.

My thoughts at that work-bench were on the subject of what is called "motion-study." The object of my inquiry, was to discover how I could accomplish the maximum of the desired result with the least effort—soon, I added: the least painful aftereffects experienced overnight and the following day. The mental image I adopted, was of the ordinary pendulum of a grandfather's clock: to achieve a rhythmical movement, in which my body fought itself the least in bringing about those motions, with the proper force, to achieve

the optimal result.

My father had secured this lowly employment for me, as part of his program for training me as a management consultant in the shoe-manufacturing industry. Indeed, this did help to impel me toward the consulting profession. The scientific principle I confronted in seeking to master that lowly, repetitive toil, was an experience which guided my attention to the character and importance of "human engineering" of the operator's workplace, and of the traffic flow of materials and work-in-progress through the production center locally and the production facility as a whole.

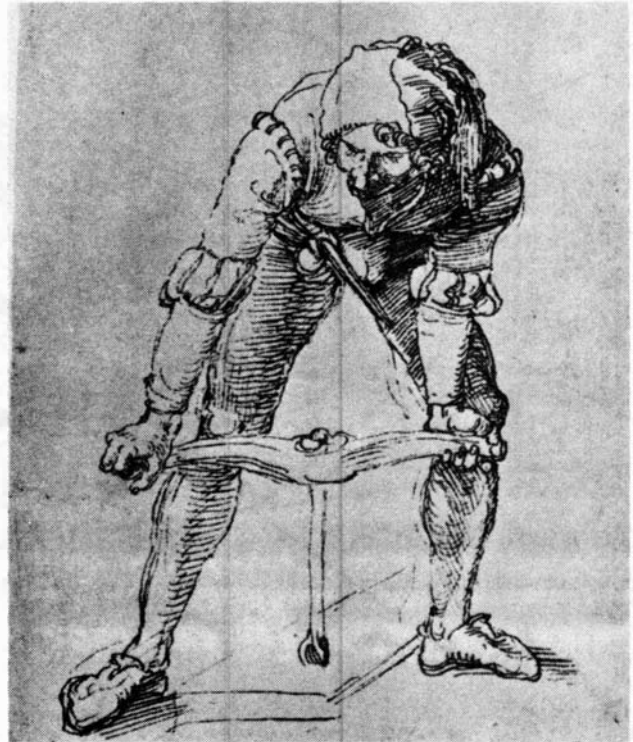
No person, but one who has developed the habit of looking at every experience in this way, should be considered qualified for the profession of "economist." Do not tell me silly money theories of how objects are bought and sold; tell me exactly how they are produced and how they are physically distributed. Tell me how much labor, of how many people, working under what conditions, is required to provide an acceptable standard of market-basket of goods for one household. Tell me not the importance of a certain amount of money in a salary or wage; tell me not merely the money prices of things. Tell me what kind of a life a year of a man's labor will, on the average, buy for his family household; tell me how you propose to effect economies of labor which will help to improve that life.

Only one who understands the importance of these questions, and has acquired the skills for answering them, is qualified to become an economist. These attitudes and skills are not sufficient, by themselves, to qualify a person as an economist; but, no person who lacks these rudimentary skills will ever be better than useless as an economist.

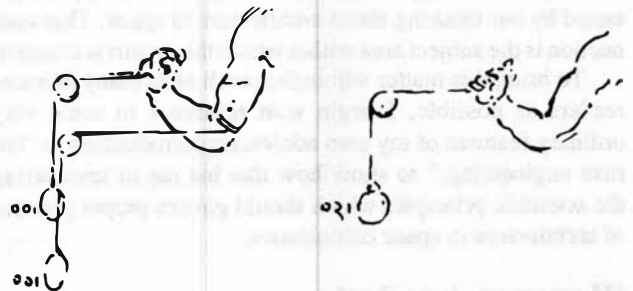
In recent decades, industrial "time studies" by teams of so-called efficiency experts have become notorious, as the higher-priced, trained industrial engineering was replaced, by the cheaper fellow hired off the street for his skill in wearing a white shirt while using a stop-watch and clipboard on the factory floor. Today, "time studies" are notorious, because the drift has been away from capital-intensive investment in economy of labor, toward increasing the labor-intensity of the workplace. As my own view of "hand-dinking" experience indicates, the purpose of industrial engineers' "human engineering" practice was directly the opposite to policies of labor-intensification; the purpose was to achieve greater productivity and quality with less effort by the operative.

The benefits of "humanistic engineering" (a better term than "human engineering") include such obvious economic gains to employer and employee as lower rates of industrial accidents, less cardiovascular and other illness, and so on.

The skilled industrial engineer did not need to refer to a stop-watch very often. The norms of movements of eyes and limbs, once established, gave the industrial engineer handy reference tables of a sort he understood, because he had learned to construct such tables as part of his professional



Classical studies of motion in the human body from the Renaissance. Above: Albrecht Dürer, pen and ink study of a Young Man leaning forward and working with a large drill (journeyman joiner), around 1500. Below: Leonardo da Vinci sketches showing the estimation of human muscular effort with the help of a dynamometer. The force is measured in pounds which represent the lifting capacity of the group of muscles under scrutiny. In the sketch above, no fewer than six different cases covering the whole body are examined, while in the sketches below, Leonardo tries to compare the force of the arm in different positions and points of attachment.



Source: *Leonardo the Technologist*, by L. Reti and B. Dibner, Burndy Library, Norwalk, Conn. 1969. From Paris Ms. H (written ca. 1494) fol. 43v and 44r.

education. He worked essentially as I thought through the best methods for hand-dinking. He thought about the physical geometry of the movements of man, machine, and work-in-progress; once he had mapped those qualitative features of the job, he could assign allowed times for each required motion with far greater accuracy than a platoon of time study boys studying the same workplace.

As a youth, I saw this problem expressed in a brutal way each time I stood in a shoe-manufacturing payroll line-up myself, or observed the operatives punching out and leaving the plant at the end of the day. I could identify accurately the nature of the occupation of the older operatives, merely from observing their bodily movements as they passed the time-clock. Their bodies were distorted by the combination of labor-intensity with the peculiarities of the organization of the workplace; so, one could spot the lasters, the welters, and so forth, from the posture of their arms, torsos, and way they walked.

Sadly watching that parade, one recognized the human importance of making operatives more the masters of their machinery, less an increasingly crippled appendage of the machine.

For this reason, I learned to hate technological stagnation bitterly. In "humanistic engineering," we work to change the geometry of the workplace, to the effect of simplifying the motions, and reducing the effort required of the operative, with special emphasis on eliminating the kinds of repetitive motions which are unhealthful. We recommend to the employer: "build this . . . change the lighting, so . . . this change in the tooling of the workplace," and so on. In a climate of investment in technological progress, there is gain in profit and quality by the employer, and personal and income advantages to the operative, too.

Trading so many dollars' worth of unnecessary exertion by the operative, against an investment which costs actually less per unit of output than the amount saved in terms of unnecessary operative's exertion avoided, is the normal way in which productivity increases with gains to the operative as well as the employer. This is true up to the point that paid-out dividends become too large a portion of gross earnings, or borrowing costs for new investments in capital stocks become much too high.

The humanistic professional might measure his personal satisfaction from his work, by reflecting on the image of twisted bodies of middle-aged operatives parading past the time-clock. The personal conscience of the true professional is: that saddening spectacle, and everything akin to it, must be eradicated systematically from our production.

The gains effected so, are not merely physical ones; the mental ones are more or less as important. In the longer time, it is the mental gains which are of the utmost importance. The employer who says to his employee, "I don't pay you to think," is not the genius-laden tycoon he might think himself to be. The secret of the superior productivity of U.S. labor,

in times dating from earlier than our recent 20 years of "post-industrial" drift into technological stagnation, was precisely that U.S. farmer's and industrial operative's superior ability to think while working.

Every good industrial manager agrees. He might inform you of the steady gains in quality of product and productivity which industrial firms obtained through the employees' suggestion box. He might also instruct you on the subject of increased accident-proneness among operatives for whom a lower premium is placed on thinking as integral to the operative's role at the workplace. A more profound, more valid general argument could be made: The biophysics specialist might suggest that we correlate brain alpha-wave activity in persons with their ability to sustain continuing technological progress efficiently—and to avoid accidents on the job, or while driving a motor vehicle.

In general, as the level of skill and technology are increased, production depends increasingly upon a more active role by the operator's capacity for effective kinds of problem-solving innovations, as an integral part of the workplace.

Think of space colonization as what it is: essentially, very high levels of skill and technology by every person involved.

The chief flaw in the relatively better sort of industrial engineer practiced up to about 20 years ago, was the lack of attention to what should have been recognized as the underlying principles of motion-theory. Industrial engineering education should have included at least two years' span of study of the relevant work of Leonardo da Vinci, Albrecht Dürer, Raphael, and Johannes Kepler. Had such studies been promoted as they should have been, a good industrial engineering graduate would have understood the principles which govern economy of labor. He would have mastered also, the rudiments of applying classical principles of aesthetics to architecture and urban design, and understood these subjects properly from the standpoint of "humanistic engineering."

General design of a city

At the end of World War II, significant numbers of the leading scientists in Germany were gathered into a pool at Aachen, awaiting reassignments. Some of these applied their skills to planning the reconstruction of the war-ruined Ruhr district. Part of their design was implemented. Other elements, if not implemented, nonetheless influenced thinking about reconstruction policy.

Since about 1977, I had been engaged in studies for the economic development of Africa, including the urgent need for building cities of a new type in black Africa, as an indispensable, central feature of any successful effort to develop black Africa in a general way. My own work in the latter connection gave my associates an advantageous standpoint for recent examination of the work of the Aachen circles; leading features of the Aachen designs coincided on key points with principles of design I had come to view as elementary through my own work.

Such is science. Different groups of investigators, in different times and places, but working from the same general store of knowledge, converge on the same result. The right principles of design of cities, are not matters of local tastes; they are as universal as is the nature of the individual human being who, as the inhabitant of the city, is the measure of its proper design. The unchangeable principle governing the proper design of a city is elementary; it is the same for a city on Earth as it is for a permanent colony on Mars.

The proper design for a city, is a study of motion of people, the goods they use, and their activities. The general scheme for design is therefore the principle of least action—which I shall describe at a later point in this report. It is sufficient, for the moment, merely to state as an assertion, that the definition of least action required for this purpose is harmonic orderings cohering with those determined by the Golden Section of the circle. For reasons to be made clearer, the significance of the Golden Section suffices to show that the general design of a city is implicitly a proposition in Gauss-Riemann topology.

I shall develop this theme by stages, after I have described the general arrangements.

The simplest form of result has three features: 1) The paradigmatic form, for approximately level regions, is spherical, with one hemisphere lying above the surface, and the other below the surface. Let us term the circular cross-section of the sphere at the surface-level the “ecliptic,” as in the ecliptic of the solar planetary orbits. Then, 2) The harmonic organization of the ecliptic is analogous to Kepler’s arrangement of the orbits of the Sun and its eight major solar planets, as divided by the domain of the shattered ninth planet, today’s asteroid belt lying between the orbits of Mars and Jupiter.

The Sun, tuned to a Keplerian F, is the central educational park of the city. The orbits of Mercury, Venus, Earth, and Mars, correspond to the administrative and residential areas of the city. F-sharp, the asteroid belt, is the boundary between the inner city and the outer, “industrial” planets.

Since the design of the city is based on least-action movement of human activity (per capita, per hectare), it is the transport system—for persons and freight—which appears as a delimiting feature of the internal design. In the modern form of the city, this movement is on distinct levels: walking, passenger rapid transit, subsurface transit of freight, subsurface transit of activities by utilities.

Thus, the subsurface hemisphere is defined in terms of subsurface movements of people and freight, and in terms of stores of essential goods: the density of the subsurface structure increases as a function of per capita motion per hectare as we proceed inward from the “asteroid belt” to the “Sun,” the educational and classical cultural activities situated within a large, educational and recreational park. So, within the inner part of the “solar complex,” the density of activity increases as we near the “Sun.”

Beyond the asteroid belt, the per capita density of activity per hectare in industrial use, again increases, initially relative

to the average for the inner portion of the complex as a whole, and then diminishes again, as the eye travels toward the outermost orbit of these “outer planets.”

Throughout the complex, the density of movements per capita per hectare is harmonically distributed as in planetary orbits: these are defined in terms of transport systems, especially the subsurface rapid transit, freight, and utilities. The spokes and rims of these transport orbits are cut by a plane self-similar spiral of movement, radiating from the “Sun,” and intersecting the spokes and wheels of the outward and lateral movements.

The spokes are twelve in number, and the inner orbits are four. So, the spokes are named North, Northeast by North, Northeast, Northeast by East, and so on. The orbits are named for musical tones, Kepler-style. The spiral-way is known as the Gaussway.

This signifies that such a city has a finite maximum population. If more population is to be accommodated, an additional city must be developed, linked to others by high-speed magnetic-levitation rapid transit links—at nominal speeds of about 300 miles per hour. (Indeed, magnetic levitation is used throughout the surface transit systems for movement of persons and freight.) How large is that finite maximum?

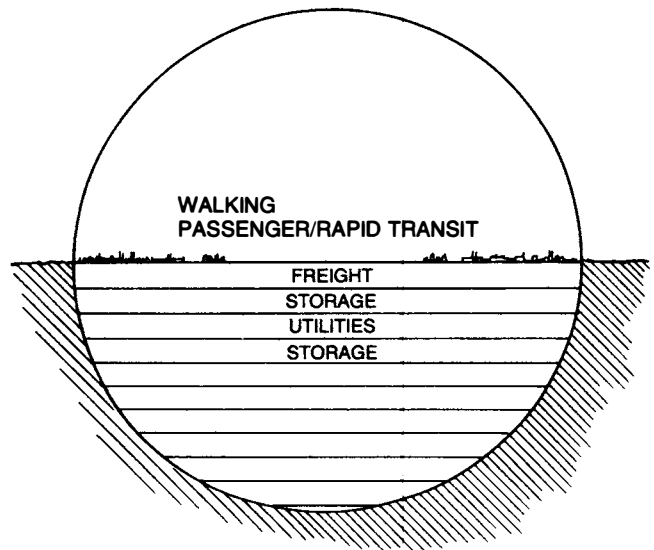
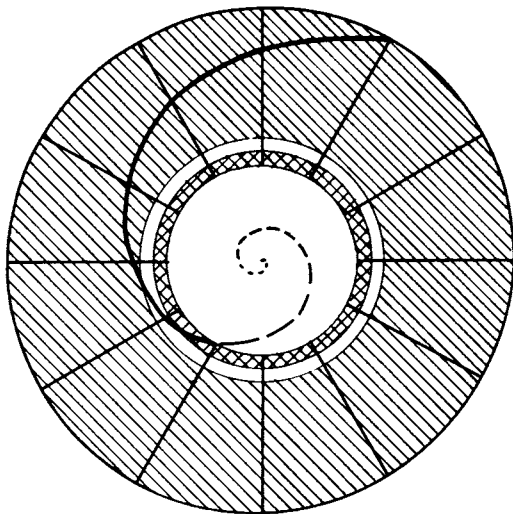
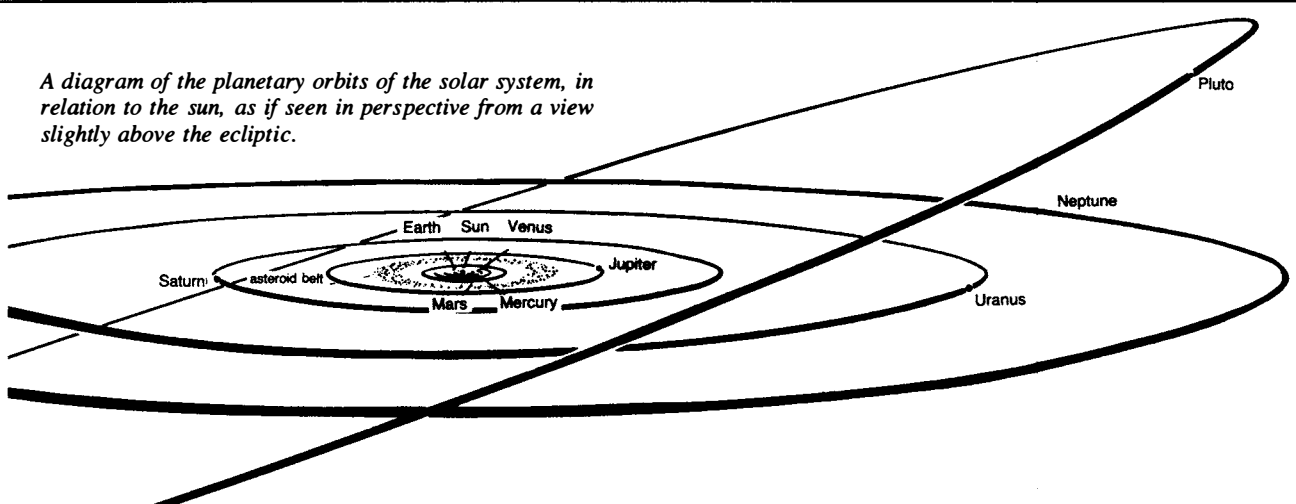
At first glance, three factors appear to decide this: 1) The unit-area and volume required by an average person’s mean-free-path motion within the city: the congestion factor; 2) The ratio of lapsed time expended in normal travel by a person within the city, to time spent in other activity; 3) The size of the “Sun.”

These three factors must take two other sets of factors into account. The first of those two other sets of factors is, that each design of a city is delimited by my six primary constraints for a Riemannian representation of technological progress: 1) Level and rate of improvement of per capita market-basket content, in quality and quantity; 2) density and rate of increase of usable energy available per per-capita unit of per hectare population-density; 3) level and rate of improvement of effective energy-flux density of modes of applied technology; 4) ratio of rural to urban labor force employment in the region in which the city is functionally located; 5) ratios of employments of the urban labor force, in terms of scientists and kindred professionals per hundred members of the labor force employed as operatives, and in terms of capital-goods producing to household goods producing operatives; 6) the general level and rate of advancement of technology in practice. These six factors define the true basis for measuring individual activity levels within the city as a whole.

This is also affected in obvious ways, by the second additional set of factors, the demographic factors centered around the birth-rate per female of child-bearing age-intervals, and life expectancies.

All three sets of factors, taken together as part of a single function, are the primary determinants of the city’s proper choice of maximum population levels.

A diagram of the planetary orbits of the solar system, in relation to the sun, as if seen in perspective from a view slightly above the ecliptic.



Two schematic diagrams of a hypothetical future city, on Earth or on Mars. On the left is the "inner city" with its educational park (the "Sun") at the center, and surrounding residential and administrative zones. The rims are analogous to the orbits of the planets Mercury, Venus, Earth, and Mars. The boundary of the inner city corresponds to the asteroid belt. A self-similar spiral from the "Sun" park to the asteroid belt is called the Gaussway. The right-hand diagram shows a vertical cross-section of such a city, with the functions to be situated in the upper or lower hemispheres, respectively. The heaviest increment of cost in the building of the city, will be the emphasis on building the deep substructure first, and then putting the upper portion of the city upon that prepared substructure.

In all these considerations, the irreducible quantum of action is the activity scale required for the average individual. The individual person's level of activity, per unit of population-density, becomes the definition of scale, with respect to which all other measurements are defined.

A good design for a beautiful city, is one which will be durable through a thousand years of technological progress. This presumes that the city is designed such that it easily adapts to the effects of technological progress.

It adapts so, in terms of increasing of the energy-density per per-capita unit of population-density. It adapts so, in terms of raising the level of effective energy-flux density per square centimeter cross-section of target-area of work. It

adapts so, to related increases in mobility of persons. It adapts so, to the increase of the ratio of time expended in creative leisure, to that required for labor.

What remains constant is man. The biology of the person requires daily about six to eight hours of sleep, two to three hours expended in eating. We know today, or should know, that—for what might be termed psycho-biological reasons—no acceptable substitute for the "nuclear family" as a mode of development of new individuals will ever be discovered. We know that maturation will never be briefer than a span of between 20-odd and 25 years, of which at least between 16 and 18 years must be within the setting of the family household.

From this, the design of the dwelling unit follows. The size of sleeping and bathing quarters, the need for dining areas and their dimensions, and so forth, are defined in an elementary way. Improvements in privacy of thoughtful activities, and other advances in quality of dwelling places are desirable, and will become more demanded as society progresses. Yet, walking through some better maintained, older areas of cities in Europe, and elsewhere, and from scholarship in the same matter, we see that the elements of design of a good space organization of the dwelling unit have not changed much over centuries, even thousands of years.

If we learn from those studies, by applying principles of "humanistic engineering" to what we learn, we can do much better today than any preceding generation of mankind, in building a city today, for whose design we will be thanked by its inhabitants a thousand years into the future.

Natural human movements

As I stated earlier, 20th-century industrial engineering wasted much of its efforts, and contributed a few important mistakes, by neglecting the rigorous study of the natural movements of the human body associated with such pioneers as Leonardo da Vinci, Dürer, Raphael, and Kepler.

Since classical Athens of Plato's time and earlier, it has been the central principle of classical aesthetics, that beauty of form and movement is limited to those harmonic orderings of form which are coherent with a harmonic series based upon the construction of the Golden Section of the circle. Classical Western aesthetics defines this as a rigorously definable standard of beauty for the form of music, poetry, painting, sculpture, and architecture.

This standard was embedded in Western civilization by such writings of St. Augustine as his *De Musica*. In the wave of city-building unleashed by Charlemagne, what were called "Augustinian principles" were the guide to the development of cathedral towns around such "Augustinian" works in light, acoustics, and form, as the famous cathedral at Chartres. Classical aesthetics was defended during the "New Dark Age" by such influentials as Dante Alighieri and Petrarch, and became the central theme of the Golden Renaissance at about the time of the 1439 Council of Florence. Brunelleschi's successful invention in architecture, completing the construction of the dome on the cathedral at Florence, was a signal point of reference throughout that century.

The single most influential scientific thinker of that entire period was Cardinal Nicolaus of Cusa. Cusa's revolution in scientific method first appeared in published form in his 1440 theological text, *De Docta Ignorantia* (*On Learned Ignorance*). This text included a revolution in ideas about geometry and physics, solving several classical problems left over from the work of such as Parmenides, Plato, and, most immediately, the Archimedes whose work on the quadrature of the circle Cusa directly corrected in his own 1440 book.

What Cusa actually accomplished, was the establishment of a true "non-Euclidean geometry." Instead of a system of

deductive theorems, based on a set of axioms and postulates, Cusa showed that the physical laws of the universe could be represented by means of nothing more than geometrical constructions, constructions all based on no more than a single principle of physical geometry. This principle of Cusa's is rightly described as a "Maximum Minimum Principle." In geometry, it is recognized as including the so-called "isoperimetric theorem of topology," as that was elaborated by Bernoulli and Euler at St. Petersburg during Benjamin Franklin's lifetime. In physics, it is recognized as the Principle of (Physical) Least Action, as this was variously defined, geometrically, in various stages, by Fermat, Leibniz, and the work of Karl Gauss and his successors.

Following the publication of his *De Docta Ignorantia*, Cusa devoted a number of other published writings to matters of scientific method. Leonardo da Vinci was brought to systematic study of Cusa's scientific work through Leonardo's Milan collaborator, Fra Luca Pacioli, of *De Divina Proportione* fame. From the collaboration between Pacioli and Leonardo, nearly all of modern science was set into motion, together with several revolutions in painting and music.

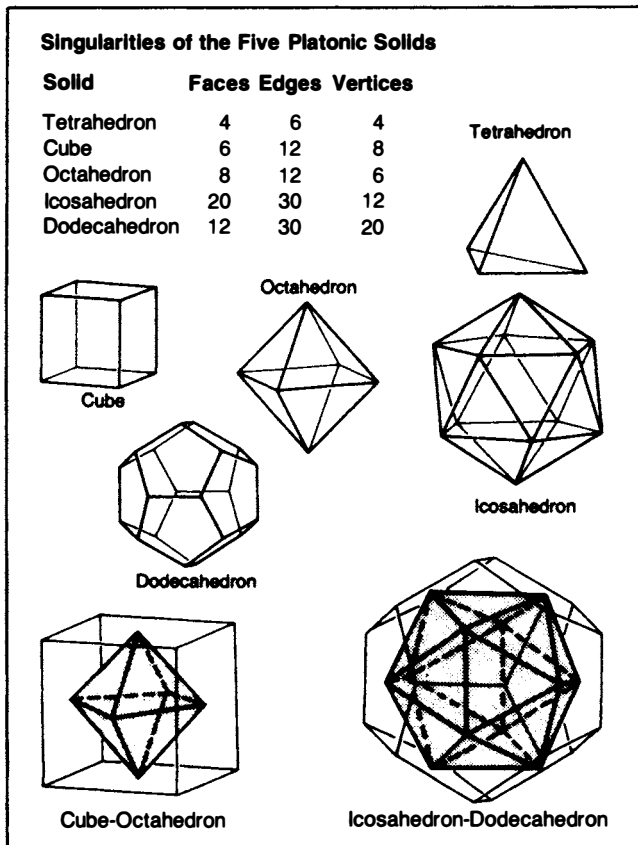
Briefly, to assist the layman in following this, the part of Pacioli's and Leonardo's collaboration which is of direct bearing upon the understanding what we have identified as "the scale of individual human activity," is the following.

In one of his most influential dialogues, the *Timaeus*, Plato presents and discusses the fact, that in visual space only five regular solids can be constructed. These—the tetrahedron, the cube, octahedron, the dodecahedron, and the icosahedron—have been known since as "the five Platonic solids," or, simply, "the Platonic solids." Plato ascribes the proof of this to a collaborator working at the Cyrenaic temple of Ammon.

The importance of the "five Platonic solids," is that they are a crucial proof that visual space—as our eye-brain define the image of space for us—is not empty space stretching infinitely, in straight lines of Albertian perspective, to beyond the furthest imaginable extremes of the very, very large, and very, very small. What might appear, wrongly, to be empty space and time, has an efficient geometrical shaping, and this in a way which contradicts all of our childish intuitions about the universality of extension in straight lines.

Thus, we say, physical space-time is self-bounded. This does not mean that our universe has some sort of fence around it. It means what is already clearly stated by the report that, in visual space, the only regular solids which can be constructed, excepting the sphere, are the five Platonic solids.

Plato already emphasized this notion of "self-boundedness" of visual space. For example, in his *Republic*, he supplies the usually misunderstood reference to what we call today "Plato's Cave." He warns that what we imagine ourselves to see, as images in visual space, are like shadows cast by firelight upon the wall of a darkened cave. Through our senses, we are able to know reality, but what our senses show us directly is merely the shadow of the reality.



The five regular, or "Platonic" solids.

Today, after the work of Gauss, Dirichlet, Weierstrass, Riemann, and so forth, we say, "Of course, that is true." Today, as especially in the case of "nonlinear" sorts of electromagnetic processes, we know that cause and effect occur outside the limits of our ideas of visual space. Cause and effect occur efficiently in what Gauss and Riemann enable us to define as a fully constructible geometry of the "complex domain." We can show also that the "shadows" recognized by our senses are a true, if distorted reflection, into "Euclidean space," of what actually is occurring within the physically real world of the complex domain.

Therefore, the study of the reasons for the uniqueness of the "Platonic solids" is the most fundamental line of inquiry in the physical sciences. What is the reason, that visual space should be "self-bounded" in the way this proof demonstrates? It should be obvious, that no amount of interpretation of empirical evidence, stated in terms of the physical space-time of Descartes, Newton, LaPlace, or Maxwell, is sound physics, unless we show that our observation of visual space has taken into account the reasons for the self-boundedness of the visual representation of physical space-time as a whole. Competent physical science begins, therefore, with rigorous proof that we have discovered the reason for this "self-boundedness" of visual space.

Pacioli recognized the importance of reconstructing the

proof of the Platonic solids. He succeeded in producing a model of such proof which was improved upon by scientists such as Euler and Gauss during later centuries, but which that more advanced work shows to have been in the proper direction. Pacioli's and Leonardo's work shows that they properly grasped Cusa's contributions to the founding of modern scientific method. Leonardo, and Dürer, Raphael, and Kepler after him, established the basis for revolutionizing our approach to architecture and urban design, as well as establishing, in a related way, the principles of "humanistic engineering" which ought to inform the work of the qualified industrial engineer.

A scientist comes away from a study of Cusa's work as a whole, with the sense that the proper descriptive name for "science" is "an intelligible representation of the lawfulness of the universe." This was what study of Cusa's work imparted to Pacioli and Leonardo, and Kepler later. Although our subject-matter here is, the principles of architectural form which must govern the design of new cities, it is also urgent—especially if it is our goal to design cities to endure for a thousand years—that we show that those principles are premised upon unassailable truth. Therefore, we should sum up the proper meaning of "intelligible representation."

Go to a blackboard. Draw upon that board all sorts of shapes of lines, including the most arbitrarily irregular ones you are able to produce. These are "representations."

Now turn to face the classroom. Can you meet any challenge members of the class might pose to you, on the subject of these representations? Can you show under what circumstances each of those representations might necessarily exist? In other words, can you start from a single, most elementary principle of a purely constructive geometry? Can you, without aid of any additional assumptions (axioms, postulates), and without any resort to formal deductive reasoning, show how constructive geometry generates each and all of those representations you have drawn?

If you can succeed in meeting that challenge, in the fullest of its implications, you have met, in that degree, the challenge of "intelligible representations," as distinct from mere "representations." The most troublesome question you must face, is the very first question: What is the correct choice of "most elementary principle"? If you grasp what that question implies, you are prepared to appreciate the genius of Cusa's work.

Two examples which I have frequently employed, over the years, bring the idea of "elementary intelligible representation" to bear with full force. I challenge you, to supply me an intelligible representation of two terms, "creation" and "life." These are terms common in our vocabulary, especially the latter. In modern civilization, all serious thinkers have recognized that these two terms have a connected meaning. Yet, I challenge you: If you can put such a word into your mouth, can you also supply me with an intelligible representation of what you mean by that word, or even any representation at all?

If you use as system of reasoning such as that of Euclid's *Elements*, these two words correspond to ideas for which you have no possible representation, and certainly no intelligible representation. Yet, already, Cusa did have an intelligible representation of both, and, Pacioli, Leonardo, and Kepler, a more elaborated such representation. This representation is the fundamental idea underlying a modern form of the science of classical aesthetics, and underlying the principles of functional form for design of new cities.

In formal logic, "creation" does not occur; it is merely asserted to have occurred. "Creation" is implicitly situated between two successive moments of existence, such that something which does not exist in the first, exists in the second. There is no representation of that which occurs between the two moments.

Perhaps the most famous case of use of formal logic to deny the existence of "creation," is that expressed by Immanuel Kant, most emphatically in his *Critique of Judgment*. Kant asserted that no intelligible representation of creative mental action, such as that responsible for fundamental scientific or artistic discoveries, is possible. Kant did not assert that "creation" does not exist; he argued, that since the human mind is, according to his view, incapable of providing an intelligible representation of an act of creation, mankind can not know "creation" as an idea.

Kant's argument is absurd, with one qualification. In deductive logic, it is axiomatically impossible to provide even a representation of the idea of "creation," and certainly not an intelligible representation.

The word "life" encounters exactly the same difficulties as the representation of the word "creation." In formal logic, or in molecular biology, it is impossible to provide even a representation of "life" per se, let alone an intelligible representation.

Today, intelligible representations of "creation" are available to us even in mathematical physics, as the case of the Riemann Surface illustrates this most directly and simply. The same Gauss-Riemann physics, applied to a more advanced representation of the work of Pacioli, Leonardo, and Kepler, permits us to provide an intelligible representation of "life" per se, as molecular biology can not. Moreover, in the same context, we can show that both notions, "creation" and "life," are of the same characteristic.

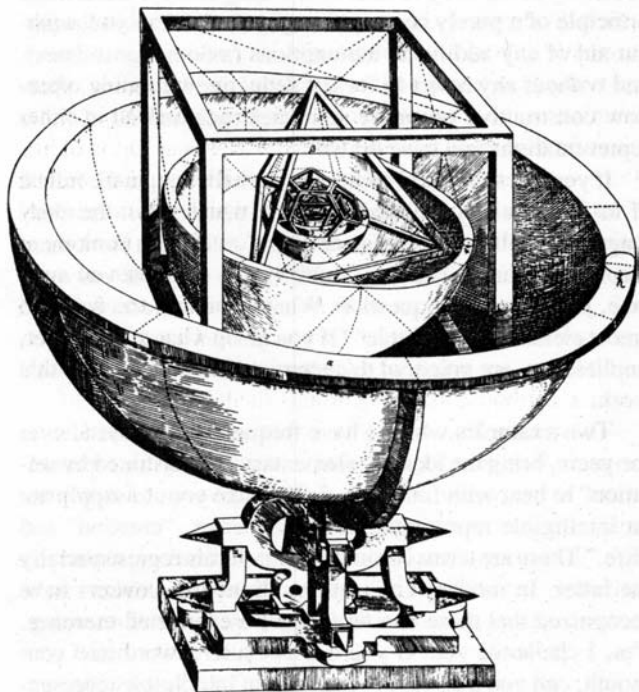
This is no digression from the principal subject-matter of the present report. A correct understanding of these two terms is essential for a rigorous definition of what architecture must measure as "human activity," for the work of designing cities which will be of durable worth for a thousand years yet to come. That connection will become clearer as we progress.

Functionally, there is only one Platonic solid, the dodecahedron, each of whose twelve equal facets is a regular pentagon; the other four, the tetrahedron, the square, the octahedron, and icosahedron, are simply and directly derived from the dodecahedron, rather than the proof of their existence being derived separately from that for the dodecahedron. So, we must say that the dodecahedron expresses adequately the self-boundedness of visual space.

The construction of both the regular pentagon, and the dodecahedron, depends upon the prior construction of the Golden Section of the circle. So, the construction of the Golden Section represents the self-boundedness of visual space. In other words, the limit of constructibility of intelligible representations in visual space is constructions dependent upon the construction of the Golden Section.

This point is traced to its elementary root by aid of Cusa's solution to the problem of the intelligibility of the problem of attempting to square the circle, a solution whose result is reflected in a central way within his 1440 *De Docta Ignorantia*. Cusa implicitly eliminates the use of deductive method in geometry and in physics, and also eliminates all need to base geometry and physics on an initial set of axioms and postulates. From this point on, in the history of development of modern physical science along a pathway of progress, through the work of Leonardo, Kepler, Leibniz, Gauss, and Riemann, circular action is the only elementary conception upon which geometry and physics are premised.

Circular action is defined, topologically, as the least amount of perimeter action required to generate the relatively largest area or volume. Since volume exists, circular action must be understood as acting upon circular action in every interval, reciprocally. For purposes of identification, we call this "doubly-connected circular action." The analysis of possible constructions in visible space requires us to employ the notion of "triple-connected circular action."



Kepler's famous model of the planetary orbits as determined by a series of nested Platonic solids.

That is the definition of the term “least action,” not only in constructive (or, “synthetic”) geometry. It is also the basis for definition of “least action” in the physics of Kepler, Fermat, and Leibniz. It is the point of derivation for the work of Gauss, Riemann, et al., in defining the form of least action in the complex domain: multiply-connected, (conical) self-similar-spiral action. Understanding the way in which the two definitions of physical (multiply-connected) least action are connected, is the mathematical-physics premise for those measurements of human activity central to proper architectural designs.

Pacioli and Leonardo already knew this universality of (circular) least action from the work of Cusa. For that reason, it was possible for Pacioli to elaborate a most respectable approximation of the stricter proof for the uniqueness of the Platonic solids. If universal cause-effect action is representable as multiply-connected circular action, all action in visual space is fundamentally underlaid by this form of physical least action. Hence, the self-boundedness of visual space, as shown by the Platonic solids, must be a constructible “property” of universal least action of this form. Hence, the Golden Section of least action, a construction itself derivable from nothing but this form of least action, is a sufficient demonstration of the necessary characteristic of the self-boundedness of visual space.

The most famous immediate application of this result, by both Pacioli and Leonardo as collaborators, was their definition of the form of life: All living processes are distinguished from ordinary non-living ones, in respect to morphology of growth and function, in the respect that that form is ordered as an harmonic series consistent with the harmonic series defined by the Golden Section.

Today, we qualify that discovery. Between the limits of the very, very large (astrophysics), and of the very, very small (microphysics), any process which is harmonically ordered in congruence with the Golden Section is either a living process, or is a special class of work done by a living process. Kepler, who based his founding of a comprehensive mathematical physics chiefly upon the combined work of Cusa and Pacioli-Leonardo, was the first to prove that the universe as a whole is governed by the same harmonic ordering. Some leading scientists among the writer’s collaborators, are proving that a Gauss-Riemann correction for Keplerian laws of astrophysics also rules on the scale of organization of atoms and smaller scales of physics. With that qualification, Pacioli’s, Leonardo’s, and Kepler’s geometrical (least action) definitions of living processes, is conclusively demonstrated today to be fully as accurate as Pacioli represented this to be at the beginning of the 16th century.

Thus, all of the movements and related functions of the human physiology are harmonically ordered least-action-based movements of this sort.

This standpoint governed several aspects of the work of Leonardo. In anatomy, he explored the Golden Section harmonics of the physiology of persons, horses, birds, and so

on. In pioneering the principles of design of machinery, and the design and use of weapons, the same principles predominated. He revolutionized the science of perspective, by emphasis upon anomalies of visual space associated with the periphery of vision, rather than an Albertian, linear vanishing-point. This we note in viewing the originals of such master works of Raphael as the famous murals in the papal apartment, and the “Transfiguration” on display in the Vatican museum.

It can also be shown, that his general approach to application of hydrodynamics to not only water movements but also phenomena of electromagnetic radiation (including propagation of sound!), is based on the same principles of constructive geometry.

Thus, must “humanistic engineering” be reformulated in terms consistent with these principles of human physiology. Thus, must the design of new cities be adapted.

The form of mental activity

This is also true of the most characteristic form of human mental life, the aspect of human mental life which absolutely separates mankind from the beasts. The form of design of the city must be agreeable to the form of this aspect of human mental behavior, as well as the functional requirements of form imposed by human physiology otherwise. It happens that the form of mental behavior is also congruent with the harmonics of the Golden Section. We must make clear the most relevant points involved.

Man is the only living creature who is capable of willfully changing the form of his species’ behavior for the better, and does this through creative discoveries bearing upon laws of nature. Scientific and technological progress are but the paradigmatic expressions of human existence.

Today, we know how to construct an intelligible representation of the creative mental processes involved in either scientific discovery or valid works of classical forms of art. However, there is no principle in this (Riemannian) branch of mathematical physics to this effect, which was not already stated in another way by the dialogues of Plato. Looking at the Socratic method retrospectively, in examples of such dialogues from the pens of Plato and Leibniz, the work on representation of nonlinear functions by Gauss, Dirichlet, Weierstrass, Riemann, and Cantor, permits us to show that Socratic method is such a nonlinear method.

The reason that creativity is not an intelligible idea in formal logic—Kant’s argument, is readily illustrated by reference to the case of any scientific discovery of a new principle.

If the previous state of scientific belief is represented in a deductive way, there is no way that the new discovery can be represented as a deductive action in those terms of reference. A new deductive schema, representing scientific belief consistent with the discovered new knowledge, can be constructed; however, there is no deductive method by which the transition from the first to second deductive schema can be

represented. This is Kant's problem.

If we compare the two deductive schemas directly with one another, a crucial difference is exposed. There is a difference among one or more of the postulates of the two arrays. The act of creative thought is reflected in the form of the changes in postulates which have occurred.

That is the characteristic of the Socratic method. In that method, every proposition considered is driven to deeper and deeper levels of critical examination, until the exposure of the axiomatic basis underlying the proposition is exposed. An inappropriate, or otherwise false postulate is exposed to light, and the appropriate change in postulate effected. The correct proposition is then constructed on this new basis.

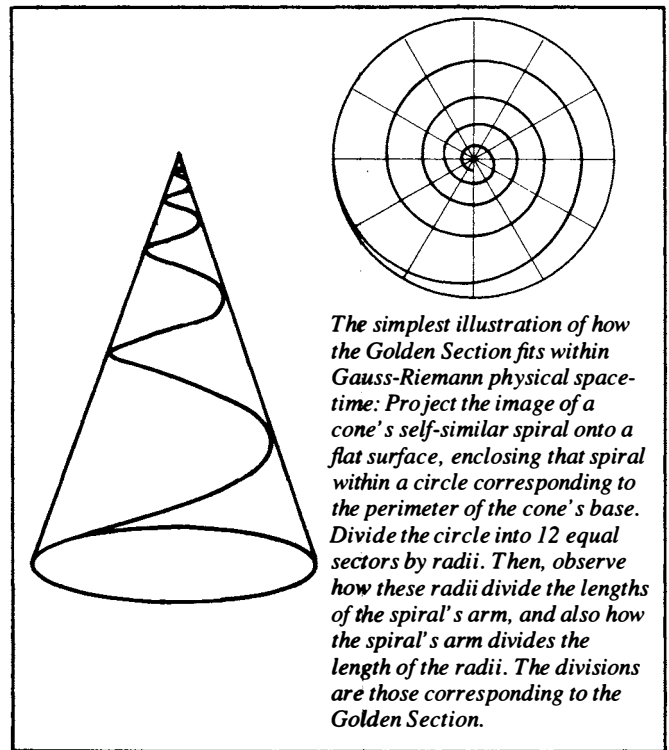
The two cases, the case of the deductive mathematical representation of two successive schemas, and the alteration of underlying postulates of propositions in Socratic method, are equivalent. The changes so encountered, in both cases, can not be made intelligible, or even represented directly, in deductive method; they have the form of a mathematical discontinuity. By definition, formal logic does not permit the construction of a continuous function which includes such a kind of discontinuity. Kant's problem.

For such cases, we require continuous "nonlinear" functions of a sort which exist only in the mathematical physics of Gauss, Dirichlet, Weierstrass, Riemann, et al. Consider as much explanation of this as bears directly on the scope of this report.

Like the physics thinking of Cusa, Leonardo, Kepler, and Leibniz, the physics of Gauss and Riemann is not based on the methods of deductive geometry or algebra. It is based on the method of constructive geometry. We may say, that it differs from earlier forms of synthetic geometry because it is the constructive geometry of the complex domain, rather than of visible space. However, although that statement is an accurate one, we must restate it differently, for our purposes here.

The difference is, that the mathematics of visible space's (shadow) images is based upon multiply-connected circular action, while Gauss-Riemann physical space-time is represented by a constructive geometry based upon multiply-connected (conic) self-similar-spiral action. A doubly-connected form of least action, in the latter case, immediately defines continuous functions which generate discontinuities without losing their quality of being continuous. Such functions are the minimal precondition for representing intelligibly notions corresponding to "creation" and "life" per se.

This implies immediately the question, where does the Golden Section fit within Gauss-Riemann physical space-time? The answer is elementary. To illustrate this in the simplest way, project the image of a cone's self-similar-spiral onto a flat surface, enclosing that spiral within a circle corresponding to the perimeter of the cone's base. Divide the circle into 12 equal sectors by radii. Then, observe how these radii divide the lengths of the spiral's arm, and also how the spiral arm divides the length of the radii. The divisions are



those corresponding to the Golden Section.

Since creative mental activity, as typified by the generation and assimilation of fundamental scientific discovery is the characteristic form of human mental activity to be considered in the design of cities, what we have identified as the principle of measurement for human physiology, is also the principle of measurement for human psychology.

Why Keplerian harmonics

I have reported earlier, that the design of the city is based upon Keplerian harmonics, with the qualification that we must employ the correction of Kepler's calculations supplied by Gauss-Riemann physics. Since nearly all university textbook and classroom instruction on the subject of Kepler's work, is rather savagely incompetent, that matter must be cleared up immediately, before indicating how Keplerian harmonics apply to the design of cities.

Kepler informs us that his solar hypothesis was built entirely around two central sets of notions, those of Cusa and those of Pacioli and Leonardo. The hypothesis around which the entirety of his work was organized, was Cusa's solar hypothesis as amplified by the work of Pacioli and Leonardo to which I made reference above.

Whether Kepler had access to the relevant sermons of Cusa, as well the works of Cusa printed for publication during the 15th century, I can not say at present. He certainly knew very well the work of Archimedes to which Cusa referenced his own discovery of what we term today the isoperimetric theorem. In crucial parts of his construction of the solar

system, Kepler worked as if he knew how Cusa had treated the problem stated by Archimedes' theorems on the quadrature of the circle, as a maximum-minimum problem.

Kepler applied to Cusa's solar hypothesis the work, and associated theological, cosmogonical standpoints represented (chiefly) in Pacioli's *De Divina Proportione*. Hence, the Golden Section was central in his work, and the role of the Platonic solids subsumed by the Golden Section. Kepler's system gives us nine orbits for the principal planets: four inner planets, four outer planets, and a ninth planetary orbit lying between the two sets.

Gravitation occurs in Kepler's astrophysics as a characteristic of the self-bounded character of the visual form of physical space-time. So, Kepler's laws implicitly state the mathematical function for universal gravitation, which he links to electromagnetism as defined by Gilbert's *De Magnete*. If we examine this feature of his physics from the standpoint of the later work of Gauss, Riemann, et al., Kepler's gravitation is not as a force acting between physical bodies, but the physical effect of the geometry of least action in self-bounded physical space-time.

In other words, Kepler's space is not empty space, not mere distance between interacting bodies; it is not the space of Descartes, Newton, or LaPlace. Kepler's space-time is an efficient agency. Indeed, looking at Kepler's construction of his three laws with the eyes of Gauss or Riemann, there is no distinction among matter, space, and time in Kepler's physics. Matter is physical space-time. In that specific sense, but only that sense, we may say that space-time acts directly on matter. We continue to relate our references to Kepler's work as that work would be explained from the standpoint of a student of Gauss and Riemann.

All of the 17th and 18th century opponents of Kepler's methods and results were proven to be incompetent through the work of Gauss at approximately the beginning of the 19th century. Since these opponents of Kepler based the fundamental principles of their physics on the same premises used to attack Kepler, Gauss's proof showed not only that Kepler's physics was correct, relative to the erroneous arguments of Galileo, Descartes, and Newton; this proved also that the entire physics of Galileo, Descartes, and Newton was axiomatically wrong throughout.

The center of Gauss's empirical proof for Kepler, and against Galileo, Descartes, and Newton, was the case of the asteroids' orbits.

Kepler had insisted, that a planet had once existed between the orbits of Mars and Jupiter. Kepler had given both the location and harmonic-orbital values for this planet. The fact that, until the end of the 18th century, no rubble from a destroyed planet was found in such an orbit, was considered evidence of Kepler's error. Indeed, if it could have been proven that no planetary body had ever occupied that position, this would have shown a pervasive flaw in Kepler's work as a whole.

In each case, following the discovery of Pallas and Ceres,

Gauss recognized that these were fragments of Kepler's missing planet. He used Kepler's orbital values for that planet to predict the next relevant appearance of each asteroid. This successful prediction vindicated the entirety of Kepler's work on principle; after that, there was no scientific basis for continuing to regard the work of Galileo, Descartes, and Newton as competent physics.

Thus, it was proven experimentally, that our universe is not organized on the basis of "forces" through which bodies act upon one another at a distance. It was proven that our universe is not made up of separate qualities of matter, space, and time; only physical space-time exists, and to the effect that it must appear to our senses as if the geometry of empty space acted efficiently on ponderable, discrete bodies within it.

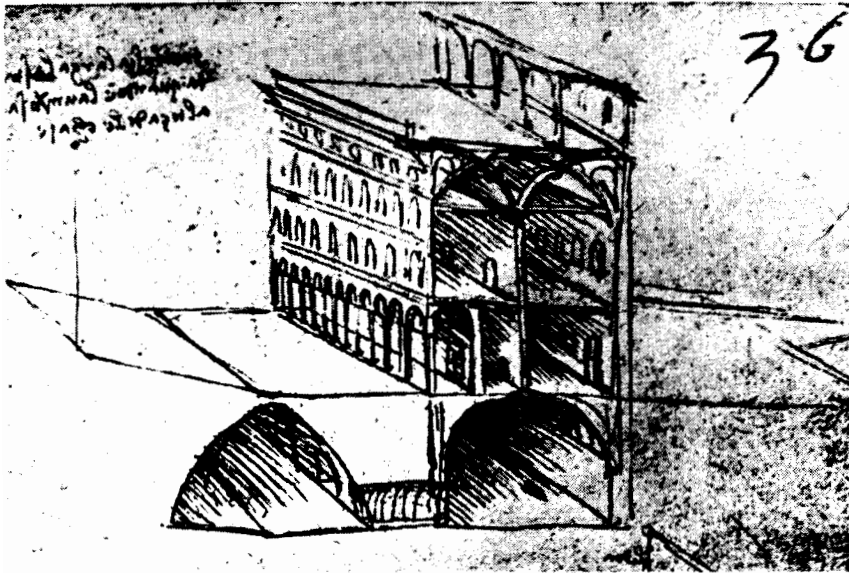
There are three features of Kepler's work which have the greatest relevance for the design of cities. 1) Although Kepler's calculations for orbits are not precisely accurate, his three laws are. These laws apply to the orbits of lunar bodies, and to modern discoveries in astrophysics in other matters. Kepler's discoveries were all essentially sound, if imperfect ones, and his general hypothesis is correct. The Gauss-Riemann corrections in Kepler's physics point the way to refining the laws and the calculations. 2) Physical space-time is harmonically ordered according to a universal principle of least action, rather than organized by means of action-at-a-distance interactions through forces. The correct measurement of least action for visible space is the projection of Gauss-Riemann least action's effects upon the manifold of visible space. 3) The universe as a whole is "negentropic," not "entropic."

It is the latter of the three points listed to which we turn our attention immediately.

All functions which have an harmonic ordering consistent with the Golden Section represent reflections of multiply-connected self-similar-spiral action occurring in the domain of the complex manifold. These occur only in two kinds of cases within our universe. Either they are the products of action by living processes, or they represent least-action as expressed at the extremes of astrophysics and microphysics.

All processes which are harmonically ordered in a way congruent with the Golden Section belong to a single class of phenomena. They are processes which statistical thermodynamics classes as "negentropic." Unfortunately, although we can explain, on the basis of Gauss's constructive-geometric basis for probability, why such processes should appear to be "statistically negentropic," the usual statistical analysis of such processes is intrinsically an incompetent one.

Curiously, Isaac Newton was one of the first to warn of the incompetent results which result from attempting to explain fundamentals of physics from the deductive standpoint in mathematics, on which the statistical methods of LaPlace, Boltzmann, et al. are based. The superimposition of a deductive mathematical schema upon the analysis of phenomena, will seem to show that our universe is running down, in the



Leonardo da Vinci's urban designs: The drawing on the left from Institut de France manuscript B (fol. 36) shows one of Leonardo's designs for a two-level town construction, in which the lower levels of the houses would be accessible by a network of canals, allowing complete separation of services and utilities from the educational and administrative activities going on above ground. On the right is Leonardo's map of Milan (Codex Atlanticus 72b) in ground plan and perspective view, done in preparation for an ambitious plan to upgrade the canal transportation network.

sense of a mechanical timepiece. This fact, of which Newton warned the readers of his work, is the simplest, adequate definition of what statistical thermodynamics call "entropy."

It is assumed, on such a statistical basis, that our universe is running down. It is widely assumed, that this is proceeding to such effect, that the increase of the universe's entropy as a whole is both the direction and ultimate, natural measurement of the passage of time.

That assumption of "universal entropy" is directly contrary to the astrophysical evidence, as the construction of Kepler's three laws proves the case.

We must measure "negentropy" and "entropy" in a different way. We must discard deductive mathematics, statistical methods included. We must employ the only available alternative, constructive geometry. In the latter case, we have the following relevant results: 1) The sense of "negentropy" is supplied as processes undergoing harmonically ordered growth congruent with the Golden Section's ordering of the visible manifold. 2) This means that "negentropy" can be measured in terms of the increasing number of discontinuities generated by the continuing process of such harmonically ordered growth. Mathematically, this is expressed in the form of Cantor's transfinite functions, as a harmonically ordered increase of the density of discontinuities within some arbitrarily small interval of action adopted as a unit of measurement. 3) This means that "entropy" must be measured as reversed "negentropy." As life is the paradigm of "negentropy," death and decomposition are the paradigm of entropy. Yet, entropy harmonically occurs in different geometric ordering than for negentropic processes.

That is sufficient description of the background to permit us to proceed to the matter of applications to the design of new cities.

Cities as 'negentropy machines'

Successful economic processes belong to the class of negentropic processes.

On first examination of its physical characteristics, a successful economic process is typified by a continuous process of increase of the combined quality and quantity of the standard market-basket of physical goods consumed per capita. This presumes a corresponding increase of output by the operatives producing these physical goods. It presumes technological progress's causing such increases of the productive powers of labor, and improvement of the varieties and qualities of products.

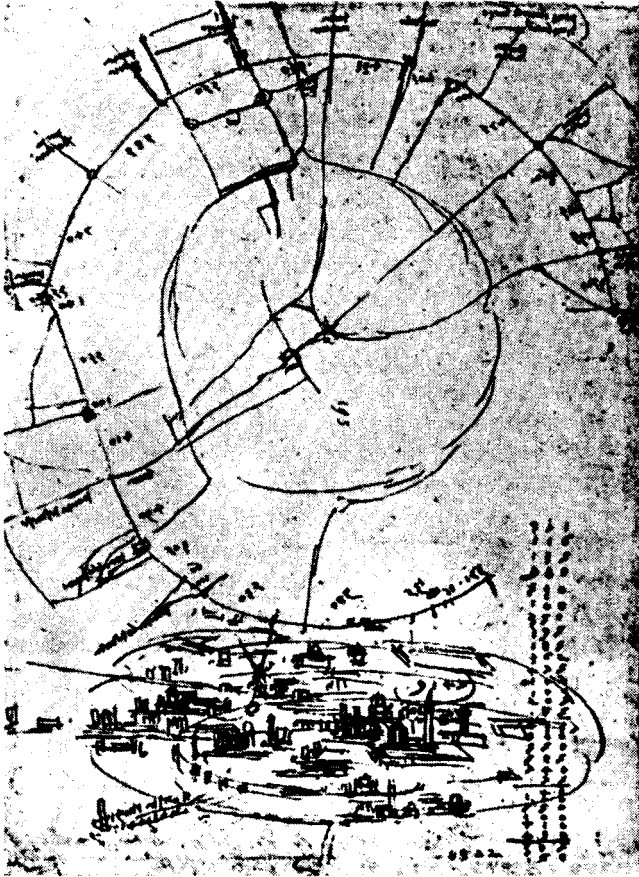
It is also an improved mastery of land area. This occurs to the effect that less land area per capita is required to sustain a population in a higher standard of living, than the land area required to produce a relatively poorer standard of living at an earlier time.

So, the proper mathematical function in the science of physical economy is expressed in terms of rate of increase of the population's potential population-density. This function is elaborated in terms of the set of set constraints identified earlier. It is a "nonlinear," continuous function of the general form of a Riemann Surface function.

Assume that a city satisfying this function's requirements, has reached the limit of population growth built into that city's design. Let us consider the "equilibrium condition" so defined.

First, as to population.

The fecundity remains constant, at the same rate after the population limit is reached, as earlier. So, the limit of population growth is expressed in terms of the number of households, and the number of persons limited only by the number of households comprising the total census of households. The



“excess population” is deployed to populate new cities, including some on Mars.

Second, as to employment.

The labor force is defined as a function of the total population of labor force age. Of this, initially, on Earth, about half should be employed as operatives employed in production of household goods, producers' goods, or development, maintenance and operation of basic economic infrastructure (transportation, water management, communications, production and distribution of energy supplies, and basic urban sanitation). About one-tenth or more are employed as scientists, engineers, in direct management of production as such, medical professionals, or in teaching of the young. Unemployed members of the labor force, and persons in other occupations, combined, are kept within the limit of less than 40% of the total labor force, preferably less than 35%.

Within this composition of employment, several interrelated shifts occur as both the level and rate of technological progress are advanced. A smaller percentage is employed in production of households' goods, relative to growth in the ratio employed in the production of producers' goods. In production of producers' goods, there is increased emphasis on employment in the machine-tool class of production. The ratio of scientists and related professionals to the total size of the labor force rises. Gradually, there is a shift of employ-

ment from operatives' categories into science categories.

In social life.

As technology advances, the average school-leaving age rises in the direction of equivalence to a terminal degree in physical sciences. As the working day is shortened, the leisure so generated is consumed largely in adult education; this is aimed significantly at upgrading the technological competencies of the labor force as a whole, but also for the enriched development of the character of the adult individual, through scientific “leisure hobbies” and participation in the life of classical forms of art, in addition to travel.

Hence, the “Sun” of our city is at the city's center, a complex of facilities for secondary and higher education, for conduct of classical fine art, and similar activities, situated in a park and garden zone in the center of the city. Knowledge in the form of science and fine art are the heart of the city, the driving-force of the city's development. By affirming this, in such a fashion, we make the development of the character of the citizen to the fullest of its potentials the mainspring of life within the city.

Such design of the city, defines a knowledge-intensive society, and knowledge-intensity as the driving force of the city's maintenance, growth, and economic as well as cultural development. The energy driving the city, is produced in the outer orbit of the “outer planetary” region. This supply of energy is constantly increasing, per capita and per hectare, for the city as a whole. The effective energy-flux density with which this energy is applied to the target-areas of work, is also increasing. Yet, these energy supplies, their growth, and the shaping of their application, are always under the control of knowledge radiating from the city's “Sun.”

The administration and commercial functions of the city are most proximate to the central park. Here, the density of land usage, per capita unit of human activity, is at the highest, and the structures, correspondingly, generally the tallest.

As we move outward, the density of movement per square hectare attenuates harmonically.

Beyond the F-sharp orbit separating the inner from outer city, we reach first the orbit of densest land use by the labor force's productive activities. The three further orbits each represent a less dense employment per unit of productive activities, including the power-generating complex for the city.

Beyond the last orbit, there is permanent agricultural, forest, and related uses of land, until the outer boundaries of the next city or township are encountered. No suburban sprawl is to be permitted, for ecological reasons, as well as economic ones.

Agriculture is at the verge of a fundamental revolution, and the agricultural needs of permanent colonies on Mars will be a goad to more rapid advancement in these directions. The amount of agricultural product per hectare is about to increase by an order of magnitude, through methods which popular opinion today would, somewhat inaccurately, associate with large, multi-story “hydroponics” factories. The

social system which has served the United States so well, family- and intra-family-operated entrepreneurial farming, should be protected and preserved, thus ensuring the best rate of improvement of quality of product, together with the highest rates of effective innovation.

Yet, we know that the maintenance of highly productive biomass, in the forms of crops, pasturage, water management, and well-managed woodlands, is essential to maintaining the general environment. The best way in which to accomplish this, is to entrust this work to entrepreneurial farmers, counting this maintenance of cultivated farm, pasture, and forest land as part of the necessary cost of agricultural production as a whole.

It must be our object to break the pattern of suburban sprawl, driven only by speculative gains, which is destroying so much of the land area of the United States today. We can effect all the qualities of beauty, privacy, and function, which might be sought through modes of suburban sprawl, in well-designed new cities, designed to remain viable for up to a thousand years or more. The initial investment per cubic meter of volume of dwelling constructed, will be much higher (at first), but the average annual cost of possession, in terms of maintenance and amortization combined, will be much less.

The judicious channeling of very low-cost public credit, loaned through the banking system and governmental capital improvements agencies and authorities, will make this change in construction policy feasible. The accelerated demand for the new types of materials and other products used for such construction, will expand the turnover and investment rates in such industries to the point of fostering a rapid rate of technological advancement in those industries. This increase in productivity, in a large sector of the economy as a whole, will rapidly lower the effective average physical costs of construction, for the city-building and kindred programs as a whole; the expansion of investment in advanced technologies in that sector, will spill over into the economy more generally. Within less than a generation, perhaps, the costs of housing and other construction for new cities' designs will fall to levels of per capita social cost below those of today.

The heaviest increment of cost in the building of the city, will be the emphasis upon building the deep substructure first, and then putting the upper portion of the city upon that prepared substructure. This is the cheapest way of building substructure of a city. With the proper designs, and use of the proper materials, this substructure will be cheaper to maintain, and to improve technologically, than present alternatives. The combined cost of amortization and maintenance of this substructural investment will drop to below that of what is presently considered a conventional city.

The utilities built into the city will last for centuries, and will be cheap to maintain for per capita unit of activity which those utilities support. The savings in movements of persons and goods will be greater than the apparent added initial costs

of amortization of the investment, with none of the costs which the cities and their inhabitants of today endure in the forms of street traffic congestion, pollution, time delays, and costs.

It is not necessary, in this location, to detail the technologies involved in building the city. We know that such things can be done with technologies existing or in sight today. It is sufficient to supply the architects and their fellow professionals the set of criteria to be met, and leave it to such professionals to do what they do best.

We know, with a fair degree of certainty, the general nature of the scientific advances likely to occur during the next hundred years. A glance at some of the leading facts this involves, guides our attention to those principles which show why our new city should endure in its original design for a thousand years, or perhaps even two or more thousand.

For the coming 50 years, inorganic physics will be dominated by the development of controlled thermonuclear fusion as mankind's new energy source, and by increasing use of the technologies of "nonlinear" electromagnetic radiation. During the first half of the next century, the new levels of technology will be associated with per capita increases in energy consumption by up to 1,000 times that of today: space colonization will write "terawatts" for power units, where the largest power-producing units today measure output in "gigawatts." Technologies of production will increase the energy-flux density of process applications to the levels of coherent gamma-ray pulses, and coherent "particle beam" radiation in the direction shown by the "free electron" laser: effective energy-flux density will increase more rapidly than the quantity of energy consumed per capita.

For thousands of years to come, biological science will be dominated by the presently emerging new science of optical biophysics. By the middle of the next century, mankind shall leap beyond the limitations of fusion energy, to more powerful technologies based upon what are now termed "matter/antimatter" reactions. Gigantic "radio telescopes," many miles in effective aperture, placed in or near the orbit of Mars during the middle of the coming century, will enable astrophysicists to explore the most anomalous astronomical objects within our galaxy and beyond, and to assist thus in proving the discovery of new physical principles, previously unknown to physical science.

Powerful fusion engines will enable mankind to reach any destination within the region of the inner planets within days of flight. However, even the extraordinary efficiency of fusion power involves a delimiting factor of fuel load on spacecraft. Special tricks would permit limited forms of manned exploratory flight into the region of the outer planets, and development of deeper space terminals based on the logistics of the Mars colony would assist the exploration of the outer region of the solar system. Yet, manned deep-space flights beyond the solar system must wait upon the development of a more powerful, more efficient propulsion system.

The mastery of what we call the “matter/antimatter” reaction, is the visible pathway for developing techniques for deeper space explorations.

So, the next 100 years’ technological progress can be summed up as shaped by two successive singularities in the continuous development of improved “energy technologies.” This implies, as I stress now, that there exists a “nonlinear” continuous function, through aid of which we can project, beyond a third and a fourth singularity, into hundreds of years yet to come, and might do this with as much accuracy as would be of any practical use to us in the coming decades’ planning of the design of new cities to be built within our solar system.

With that in view, one can return attention now to the subject matter of foreseeable changes in the life of our new city, as a result of such technological progress.

We know two things:

1) We know that the definition of man, as man is properly defined by knowledge up to the present time, will not change. Through aid of optical biophysics’ mastery of the spectroscopy of the mitotic process, we will be enabled to improve greatly the maintenance and repair of the human organism, to control the aging of tissue to significant degree, as well as achieving early conquest of cancer, and the most challenging kinds of viral infections. The increase of mean life expectancies to the age of 120 years or more, and kindred extension of the upper age limit for defining the active labor force, are likely changes. However, no foreseeable change would change the required mean free-pathway of the motions of human beings. The nuclear family household must persist, unchanged, for thousands of years to come.

For such reasons, the spatial organization of the new city need not be changed from those specifications of spatial organization which are optimal for today’s technologies.

2) Presently developed levels of knowledge in the Leibnizian science of physical economy, enable us to foresee how the foreseeable directions of advance in technology will introduce modifications of technologies integral to the functioning of the city as such. The six constraints, cited above, for the LaRouche-Riemann function in physical economy, permit us to foresee these changes with as much accuracy as is required for the design of the new city.

Essentially, the spatial requirements of organization of the city will not change. What will change is the per capita (and per square meter, and per cubic meter) quantity of energy consumed, and the effective energy-flux density of the use of that flow of energy supplies.

Think of the spatial structure of the new city as the basic structure of a machine. This does not change. Think of the changes introduced as analogous to alterations of the tools developed for attachment to that machine, in company with rather continual increases in energy-flows into the machine as a whole.

All of the changes will take the form of a combined,

interdependent increase of energy-density and energy-flux density per cubic meter in the volume of structure represented by the new city as a unified machine for living.

In designing the new city today, the architects must think clearly of both the kinds of modifications to be introduced to the city’s spatial organization of structure over the coming centuries, and think also of how we can ensure that the needed kinds of improvements in energy- and energy-flux densities can be installed with the least time and effort.

Consider again, some things that will not change. The physical-geometrical function of a chair, a bed, a table, and of personal “space for mean-free-action” by persons, in all functions, will not change. The amount of fresh water required will not exceed the proper design limits specified for a new city today, even though there may be qualitative changes in the technology of fresh water management. The amount of air required will not change, although cleaner air will be achieved by aid of qualitative changes in technologies.

Within the city, and in travel to nearby population centers, a maximum speed of about 300 miles per hour achievable with magnetic levitation, will remain acceptable specification for generations yet to come. It is probably the case, especially on Mars, but also probably on Earth, that supersonic or even hypersonic speeds of continental travel of pressurized cabins through long reaches of evacuated, subsurface tube may appear during the next century. This will not affect the internal and nearby requirements for the new city itself.

The spatial design impact of the changes is foreseeable. Today’s architects must simply leave room for installation of such changes within initial structures, and must provide the ready access needed for effecting such installations with the relatively greatest economy of labor.

The harmonics of the design will never change. What will change is the level and rate of increase of effective energy, per capita, and per cubic meter.

A beautiful city

The general requirement must be, that wherever each function of human activity is to be served, the form of design employed shall be the principle of harmonic ordering congruent with the Golden Section.

This includes the proportions of rooms, the relative scales of the rooms of a dwelling place, the relations of windows to room sizes, and everything else blended into a harmonic unity. Here, the architect must become at once a composer of classical polyphony, a painter with the informed eye of a Leonardo, a Raphael, a Rembrandt, and a physicist in the spirit of Kepler.

Such harmonic composition will coincide with the optimal agreement with the physiology of human least action. It will provide the optimal acoustics, the optimal distribution of light, of air movement, and so forth. The physiological requirements, so addressed, are consistent with the psychological ones.

Contrary to the cults of Romanticism and Modernism which have spoiled our great Western European tradition of classical art, nothing is beautiful unless it is consistent with harmonic orderings based on the Golden Section. Such is the beauty inherent in all living animals and plant life. Art must emulate the principle of life on this account, but it is not art unless it does something more than that.

The composer of classical fine art must start with principles of beauty, and must never conclude with any result which is not congruent with beauty. Yet, this defines the character of the particular medium in which the artist works; it does not suffice to define the stirring of that medium of beauty as art. Art is not a business of selecting by mere intuition those random stirrings of the medium seen to have the pleasing quality of beauty.

Beautiful art is art because it is composed by an accomplished artist. What defines such a composer of art is the exact same mental quality which defines the accomplished scientific discoverer: the development of the composer's creative powers of mind, together with the composer's moral

character. The composer of great art works in the medium of beautiful harmonic orderings as the scientific discovery works in his or her medium. The same powers of mind, perfected to such work in the one medium, or the other, are at work.

It is this creative endeavor, in the medium of beauty, which defines great art.

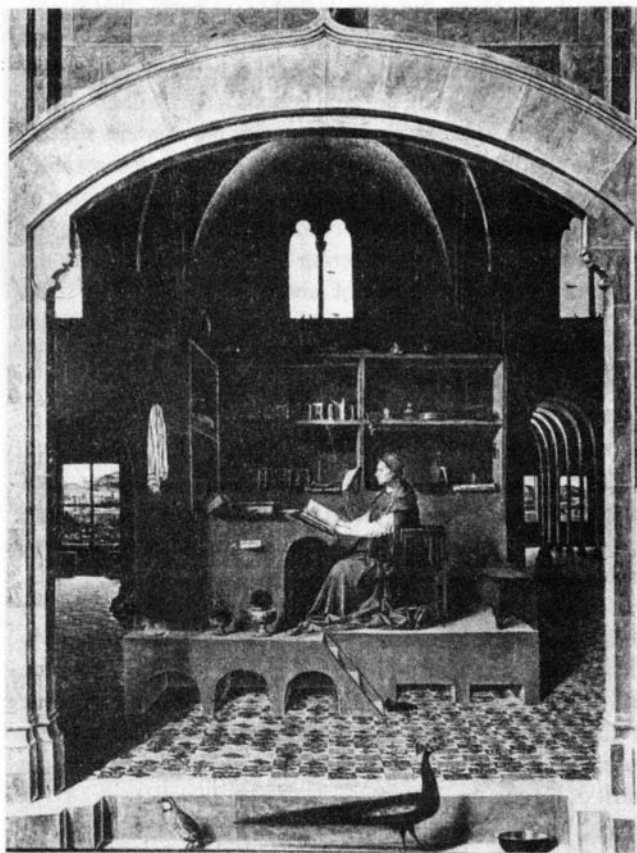
For that reason, the general quality which all great art shares in common, in whatever artistic medium, is that it contains nothing not fully susceptible of intelligible representation, as I have identified "intelligible representation" above. Furthermore, the entire composition is itself susceptible of such intelligible representation, to such effect that the uniquely creative features of the development of the composition are the kernel of the artistic idea.

There is never anything arbitrary, "Romantic," in classical art. It is always delimited by the principles of harmonics associated with the Golden Section in visual space, and perfect well-tempering in classical musical composition. No principle contrary to that definition of classical beauty, no deductive sort of arithmetic principle (e.g., the 12-tone system of the musical "modernists"), must be tolerated. The "idea" associated with classical art is never akin to what we encounter so often in the Romanticist "program notes" of the concert program, record jackets, or art exhibition. The idea of a classical artistic composition is the elaboration of the specifically creative feature of the composition's development.

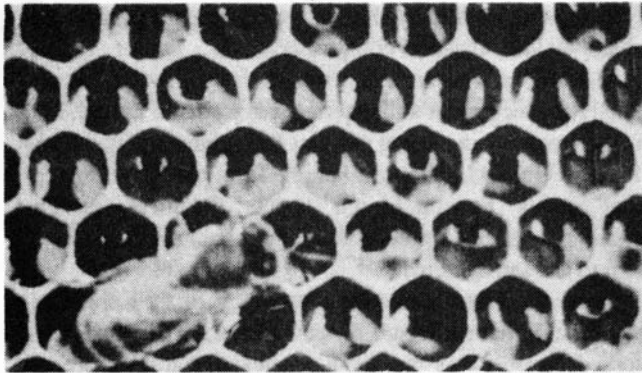
A great architect, like a great classical painter—such as Leonardo or Raphael—is thus a professional who might have become a great musical composer or performer, who applies the same intelligible creative principles to a different medium. The architect's medium is the humanistic science of physical economy expressed as art, governed by the same principles as great classical art.

We must free ourselves of the heritage of both Kant's *Critique of Judgment* and the evil Prof. Karl Savigny's arbitrary, irrationalist separation of science (*Naturwissenschaft*) from the arts (*Geisteswissenschaft*). This means, inclusively, that in architecture, there is no proper distinction between "art" and "function." It means, as I have stressed throughout this report, that the principles of classical artistic composition are always in implicit agreement with the best solution to a problem of function, so much so, that wherever a purported functional design deviates from the rigorous standards for classical beauty in artistic composition, the deviation represents an elementary error in the principles of functional design adopted.

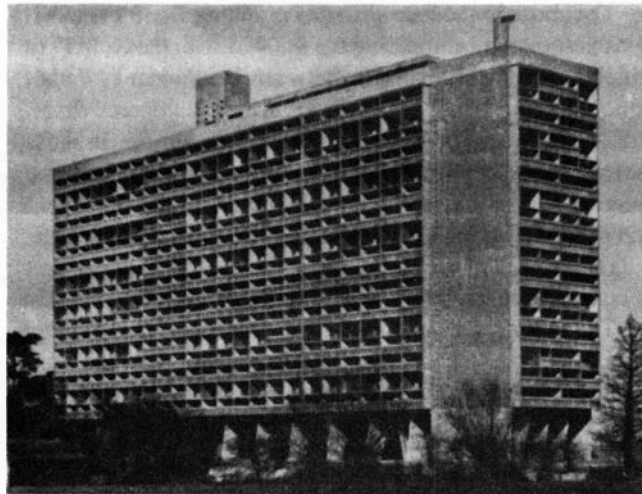
All architecture is a machine for use by human beings. It must agree with the requirements of the whole human being. This wholeness is expressed by human activity in its wholeness. All human activity is activity directed by the self-developmental characteristics peculiar to the human mind. As I have shown as a matter of principles, both the physiology of individual mean-free-pathway least action, and the char-



"Some things will not change: the physical-geometrical function of a chair, a bed, a table, and of personal 'space for mean-free-action' by persons, in all functions, will not change." The painting shows "St. Jerome in His Study," by Antonello da Messina, ca. 1456.



Above: The bee's honeycomb. Below: The beehive-like "Unité d'Habitation" by the irrationalist architect LeCorbusier, in Nantes (France), 1952-57. Bees' constructions are not harmonically ordered in congruence with the Golden Section. "This case illustrates an absolute separation in principle, from architecture for lower forms of life, and for humanity."



acteristic human creative mental activity, are forms harmonically ordered in congruence with the Golden Section in visual space. That architecture which is defective as classical art, is therefore also defective in function.

Reference Johannes Kepler's famous dissertation on the subject of the snowflake. Focus, within that paper, on the discussion of the constructions by the bees, constructions which are excellent for bees, but not for human beings. The construction is not harmonically ordered in congruence with the Golden Section. This case illustrates an absolute separation in principle, from architecture for lower forms of life, and for humanity.

The most sensitive architects and students of classical painting are more notably aware of the fact, that the experiencing of the visual space in which persons' activity occurs, has an important psychological effect upon the persons experiencing that organized space. Leonardo and Raphael are of outstanding importance in any systematic study of this matter, particularly so because their own recognition and use

of this principle is so directly, immediately situated with respect to the underlying principles involved.

In the experiencing of the organization of visual space, our minds draw upon the same kinds of powers of judgment we experience in the beauty of well-performed classical polyphony. Today, because of important researches into the organization of the relationship between the eye and the visual cortex of which it is functionally an integral part, we can understand the validity of Leonardo's principles of hemispherical perspective in a refined way. Although, to the extent of my present knowledge, the study of the acoustical functions of the brain are less well-mapped than those for the visual cortex, we know that Riemann's approach to the physiology of hearing was sound on principle; and, from knowledge of well-tempered polyphony, we know that the principles adduced for vision are congruent with those for the sense of beauty in hearing.

So, we know, that the same principles of creative composition expressed by such as Bach, Mozart, Beethoven, Schubert, Chopin, Schumann, Verdi, and Brahms—although not those of Romantics such as Liszt and Wagner—express in a musical medium the same underlying, proper principles of a great architectural composition. We should speak, without a sense that we might be indulging ourselves with mere metaphor or even hyperbole, of architects as composers. We should say this with an eye cast directly toward Leonardo and Raphael, but also with a sense that the musical reference is not merely analogy.

The standard should be: "intelligible representation of a beautifully artistic fulfillment of nothing but the functional purpose of the construction." The architect must start with function. By applying "Keplerian" harmonics to the understanding of that human function as an integrated whole, the problem to be solved, function, is stated also, and by no accident, in precisely the form which transforms a science of architecture into a practice of classical artistic composition, without moving one millimeter from science.

The creative solution is always in response to a problem posed in terms of satisfying the need of a human function, rather than decoration superimposed, as a kind of flamboyance, upon the structural "cake." No arbitrary sort of "pleasing effect" is to be sought as mere decoration.

Since the architect is a human being, as the great classical composer is a musician, the architect designs by aid of traveling in his imagination through each mean-free-pathway activity of the persons inhabiting the city. He visualizes, in this imagination, using each part of the city for one or another of the functions of which the totality of their lives are each composed. He does this with a refined eye, doing from his more advanced standpoint in professional knowledge, more or less what I first learned to do in economic science standing, still at the age of 15, at the dinker's bench in that slipper factory.

The principles of beautiful harmonics he carries with him

on this tour of the imagination, thinking of these principles not so much as ideas of beauty, but rather in terms of the harmonics of least-action movements of human individuals. The examination of each of the movements along this tour from the standpoint of Golden Section harmonics, defines for him an array of problems in geometric topology. The summation of these problems, is the total problem of this same form, the topology of the city as an integrated whole.

So, the composition of architectural design occurs in such a way, that it could be explained entirely as creative solution to the functional problem of topology so defined. It could be provided an accurate intelligible representation so.

Nonetheless, the result is a classical artistic composition in the strictest sense.

The successful solution to the topological problem of ordering human least action, will always be a "Keplerian" kind of harmonic ordering, with the included types of qualifications I have noted earlier in this report. The optimal result will seem to borrow from classical strophic forms of poetry, as does classical musical composition. Every human movement within the city, will have a characteristic harmonic value in a "Keplerian" system; the idealized, least-action form of movement facilitated by the design, is susceptible of being stated in terms of "Keplerian" harmonics.

Consequently, the coherence of design, incorporating all of the topological solutions included, can be expressed in the manner of classical musical composition. This is more or less the same as to say that we can represent the composition of major paintings by Leonardo and Raphael in terms of principles of classical musical composition.

The architects intrude personally, as classical artists, into the composition as a whole—put their artists' signature on the composition—by the way in which they elaborate the composition as a whole.

The most famous case of this from classical music, is the history of compositions based on treatment of a collaboration between Frederick the Great and Johann Sebastian Bach, "The Musical Offering." This represents a solution to a central problem in well-tempered polyphony, a solution which played a leading role within the later development of classical composition.

Major composers based some of their outstanding works on this: Mozart, Beethoven, Schubert, and Chopin, for example. A few examples from this history are sufficient to illustrate the point I have made on the architect's personal artistic signature on a design.

Mozart's intensive study of Bach's method of composition is reflected most strongly among compositions presented beginning 1783. He took up Bach's "Musical Offering" discovery directly in his famous keyboard sonata, K. 457. Then, he improves greatly upon Bach's discovery in his "Dissonant" quartet, and sums up that result in the Fantasy (K. 475), which he prefixed to the sonata K. 457. Mozart's principal musical-scientific advancement beyond Bach, on this point, is his introduction of the "Keplerian" F-sharp, omitted in

Bach's treatment and in his own K. 457. The implications of this F-sharp addition shaped the treatment of this Bach subject by later classical composers.

Mozart's advancement in treatment of this appears famously in Beethoven's "Pathétique" fortepiano sonata, and in other works, including his last fortepiano sonata, Opus 111. The Opus 111, in turn, supplied Chopin the reference-point for his "Funeral March" sonata. Schubert's posthumously published C-minor fortepiano sonata is another treatment of the same subject.

From the standpoint of the topology of a "Keplerian" harmonic domain, the subject to which each composer addressed himself was the same musical-scientific problem. Yet, each introduced different sets of consideration in musical-scientific knowledge to the treatment of the subject. The compositions each differed thus, not only from those of other composers, but from the same composer's other settings of the same subject.

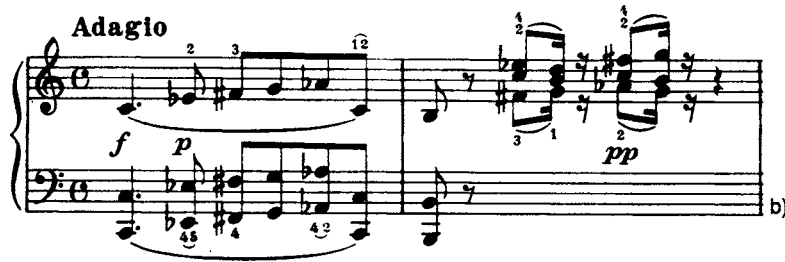
The most immediate difference among these compositions is shown by comparing the K. 475 with the K. 457 to which Mozart prefixed it, or between Beethoven's "Pathétique" and his Opus 111. There is, in these compared cases, a different choice of pathway of development. So, in those indicated cases, as in the others which might be cited, the creative-mental activity, although applied to the same general subject, was elaborated along a different pathway, to the effect that each of the compositions represents a unique sort of constructive-geometric intelligibility.

The architect's imbuing artistic coherence into the raw form of solution of the topological problem, is in no sense "mere decoration." The mind of the city's inhabitant requires that the city as a whole have the quality of intelligible coherence.

The human individual has, from birth, a double character. In the one aspect, the new-born infant is like a beast, seemingly controlled by what British philosophical liberalism denotes by "original and immediate instincts," as Adam Smith puts it, for "seeking of [sensual] pleasure, and avoidance of pain." The emotional correlative of this in the child and adult, is what we associate with the erotic impulse—something which explains Sigmund Freud, but which Freud is incapable of comprehending except in a perverted way. Yet, that same child or adult has a directly opposing character, associated with an opposing quality of emotion, designated in classical Greek by *agapē*—love of God, love of mankind, love of beauty, and love of truth.

The development of the individual character requires that the person become conscious of the distinction among the two qualities of experienced emotion, strengthen the *agapic*, and subordinate the erotic impulse entirely to those restricted occupations in which it is deployed under firm control of the *agapic*.

This *agapic* emotion is easily recognized in a child at constructive play. When that child discovers, what is for it the first time, a solution to a type of problem, the normal



The history of compositions based on treatment of a collaboration between Frederick the Great and J.S. Bach, "The Musical Offering," represents a solution to a central problem in well-tempered polyphony. Shown here are (a) the opening theme of "The Musical Offering"; (b) the opening measures of Mozart's fortepiano Fantasia K. 475, and (c) the opening measures of Beethoven's "Pathétique" fortepiano sonata.

child is elated. "A light seems to turn on inside the mind of that elated child." Insightful adults observing this, may find themselves close to "tears of joy." In contrast, the child, instead of solving the problem in, for example, block building, may strike angrily at this construction, scattering the blocks in his rage; that is erotic.

All creative mental activity is not merely associated with the *agapic* quality of emotion, but is energized by that emotional force, without which the "mind would turn off," and the solution not discovered. Contrary to some mystical speculations, the *agapic* emotion does not occur without a task-orientation in reality—although the erotic often does. It is a task-orientation associated with ideas of love of God, of truth, of beauty, and of mankind, which evokes this higher quality of emotion within us.

To produce a citizenry which is capable of greater use of these creative mental potentials, it is urgent to create a physical space-time for them, in which the dominant ideas expressed by human activity are those in agreement with the *agapic* force.

At this point, I can report without further argument of the point, that the *agapic* corresponds to the negentropic, and the erotic to the entropic. The city must be a visual space, so composed as to envelop the activities of its residents in a sense of artistic beauty. It achieves this, not by decoration, but by means of beautiful solutions to topological problems of essential functions.

A citizenry should have the means to speak only beautifully literate prose and poetry, as Dante Alighieri famously argues the importance of this. It should be subjected to nothing musical but the mastery of beautiful music. It should be surrounded with inspiring scientific and historical knowledge. The character of its young should be nurtured to the

highest level of youthful potentials, by a classical-scientific, non-specialized secondary education along the lines outlined by Wilhelm von Humboldt. It should be imbued with familiarity of principles of beautiful artistic composition in visual space, and should be enveloped visually in such beauty.

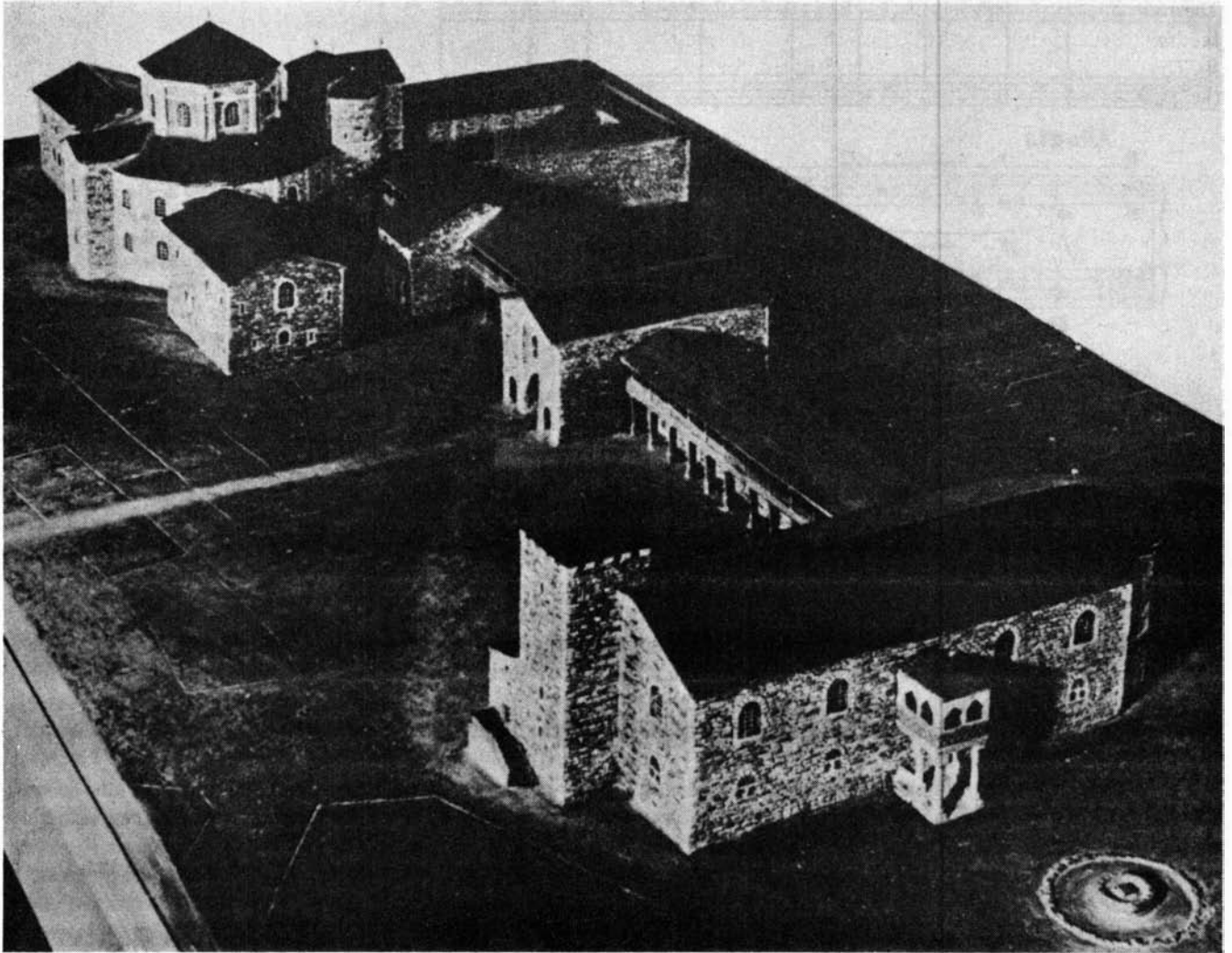
The physical cause for the effect known as man's increase of society's potential population-density, and for the accompanying increase of the productive powers of labor, is "purely psychological": It is the production of advances in ideas in a way consistent with scientific and technological progress. It is the manner in which such progress in ideas reshapes human practice, that the power to perpetuate human existence is derived. Whatever increases the development of the individual character, such that *agapē* and scientific creativity are fostered, is the greatest force which society might summon to solve all the so-called practical, physical problems of life.

Nothing could be greater folly, than to act on the assumption that *agapic* beauty is not essential to architecture, but merely spiritual, psychological. How could man exist, without command of that within himself, on which the existence of society depends absolutely?

Artistic beauty, thus deployed, enriches the mental powers of the population, fosters the strengthening of the *agapic* quality in human relations, and adds greatly to the strength of the city as a negentropic machine for promotion of advancement in the quality of human existence.

A sense of purpose

A city must not degenerate into a mere place for living and working. A city's existence must be ennobled by a higher purpose, as President Charles de Gaulle sought to uplift the French citizenry from cattle-like chewing of its own national cud, to a sense of France's unique purpose in service of the



Charlemagne's palace complex at Aachen, reconstructed model (Mainz, Römisch-Germanisches Zentralmuseum). In the wave of city-building unleashed by Charlemagne around 800, what were called "Augustinian principles" were the guide to the development of cathedral towns.

cause of civilization. Back to Cusa's *De Docta Ignorantia*: The city is a microcosm, which must consciously locate the meaningful purpose of its existence in the macrocosm.

Among all new cities, a citizen, asked what the city does, would respond automatically, to the general effect: "We are essential for making the world, and mankind better." The products of the city enrich the nation and the world. The citizen's contribution to the city's contribution to the nation and civilization generally, imbues the simplest of his or her contributions with the moral and efficient qualities of universality.

We wish that no person be homogenized by a city. We must impart the sense of the worth of individual, personal uniqueness in service of the universal, durable good. The citizen must have sound grounds to say: "I am unique, and I exist so because the general good needs the service of my

uniqueness." This uniqueness is practically situated, not an arbitrary choice of "being different." There is always another task to be undertaken in the work of perfecting service to the good; there is always needed yet another person, peculiarly suited by commitment and development, to master the work of serving that unique, added need. What if that particular sort of work were no longer needed? The citizen would reply, "Then I should find something which required my unique dedication to service of the good."

The image of the working scientific seminar is a useful one, in further clarification of this point. In general, true scientific workers assemble in such seminars, not so often for a previously well-defined task; more often, the best practical results emerge simply from assembly to the vaguely defined common sense of sharing contributions to whatever useful purpose this process of sharing might itself suggest.

The right quality of such seminars is recognized among all accomplished scientific workers—at least, that is generally so. The exchange of published scientific papers approximates such seminars in some degree, but there is no adequate replacement for what such seminars contribute.

In the most fruitful seminars, what is exchanged is a discussion of preliminary experimental hypotheses. Finished results are brought in, as they bear upon this; but it is the discussion of preliminary hypotheses which is the most essential activity. The presentation of completed work, or work in progress, is usually the means for sparking the discussions; it is the discussions themselves, often moving in directions not anticipated by any among the participants beforehand, which are often the most notable benefit.

Unfortunately, in academic liberal arts today, one finds nothing comparable to the quality of such scientific seminars. In academic liberal arts today, there is no rigorous principle of reasoning, comparable to that in serious scientific work, and few trained in the liberal arts' professions are willing to tolerate the attempt to introduce socratic standards of rigor into the deliberative process. The new city must be designed to foster a change in that, and to spread the benefits of such change into the habits of exchanges of ideas among the citizenry generally.

The work of each and all of the citizens of the city must be integrated in a fashion akin to that of working scientists from various specialties attacking the problems of a common subject of interest in the most productive sorts of scientific seminars. This is another way of saying, that the *agapic* mood must rule: love of God, of truth rigorously sought and served, of mankind, and of beauty, is the shared motivation which binds social relations at higher levels of quality, and which thus fosters true freedom: the commitment to serving the common *agapic* purpose in one's own best way.

I do not recall a case, of a friendly, serious exchange with any person along such lines, from which I did not benefit in useful knowledge. Like my adolescent's experience with the dinker's bench, there is nothing useful from which something of value is not to be learned, sometimes with beneficial results far beyond what the circumstances might initially suggest. I love and treasure the uniqueness of each individual person, when the uniqueness is located in such a way.

That is the proper general mood and sense of social values in the new cities I wish to promote.

Do we wish to assemble forces for mastery of some important scientific problem? Build a new city with dedication to that and to future related sorts of tasks. For each other sort of important kind of purpose in service of the nation and humanity, build such a new city dedicated to that kind of work. Build new cities so, to uplift the quality and pride of entire nations, entire regions of this planet. We shall build new cities on Mars, around precisely such conceptions of function and purpose.

Now, therefore, let us begin to design and build.



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Vatican, Jews join against 'demonic' enemy

by Vivian Freyre Zoakos

The Sept. 1 meeting between Pope John Paul II and the leaders of the international Jewish community established the foundations of an historic alliance. Broadly speaking, the purpose of the alliance was defined as the waging of a common battle against evil. More narrowly, that organized evil today was jointly agreed to reside in the Soviet Union and its allies.

This conclusion to the talks represented a dramatic overturn of a scenario put into place by well-established Soviet assets. These included, principally, the Office of Special Investigations (OSI) of the U.S. Justice Department, and whisky king Edgar Bronfman, head of the World Jewish Congress.

The origins of the Sept. 1 meeting lie in an OSI attempt to destabilize Austria, and later in Bronfman's attempt to discredit the Pope when the latter stepped in to reverse the OSI's operation. The OSI had acted as the conduit for a piece of Soviet-authored disinformation that characterized Austrian President Kurt Waldheim as an ex-Nazi. This set into motion Austria's international isolation, reversed only when John Paul II demonstratively received Waldheim in audience at the Vatican, addressing some warm words of praise to both Waldheim and the overwhelmingly Catholic Austrian people.

Then Bronfman stepped in. In what no doubt appeared to his Soviet masters as a brilliant piece of maneuvering, Bronfman thought to snatch victory from defeat by using the Pope's meeting with Waldheim to discredit what in Moscow's correct estimation is a much more important target: the papacy itself. Bronfman mounted a massive campaign to sever Judeo-Vatican relations, beginning with a boycott of a scheduled Sept. 11 meeting in Miami between the Pope and the principal Jewish leaders.

What followed was a lengthy debate inside the international Jewish community. This ended with the defeat of Bronfman's forces of the World Jewish Congress, a decision which already paved the way for the alliance later forged with the Pope, even before the Jewish leaders stepped inside the Vatican walls.

Led by Rabbi Mordecai Waxman, chairman of the International Jewish Committee for Interreligious Consultations, these Jewish leaders knew precisely what political entity they were opposing when they rejected Bronfman's Soviet-dictated line. Although unwilling to say it publicly, privately Jewish leaders admitted their knowledge that Bronfman's attempt to derail Judeo-Catholic relations, together with personally discrediting the Pope, was part of an operation conceived in Moscow.

But the decision to go against the Moscow line on the Pope question took place against a definite strategic backdrop. On Aug. 30, the day before the first of various meetings in the Vatican with the Jewish representatives, the Israeli cabinet dealt a death blow to the entire operation put in place by Ariel Sharon, the purpose of which had been to shift the balance of Israeli alliance from the United States to the Soviet Union.

This happened when the cabinet voted 12 to 11 to kill the Lavi airplane project, and instead retool the Israeli aeronautics industry to function as an extension of the American one (story, page 44). Israel will now participate, among other projects, in the production of the current American F-16 fighter plane, and the development and production of the next generation of the F-16. Predictably, Sharon screamed loudly and publicly. As the *EIR* had documented in a special report written as far back 1981, Sharon had planned development of the Lavi fighter plane to be the centerpiece of a policy that

would make Israel the center of a Soviet-allied Middle East power complex.

Historic meeting

If viewed against this backdrop, it is easy to read between the lines of diplomatese to understand precisely what occurred in the Aug. 31-Sept. 1 Judeo-Vatican consultations.

The meetings resulted in numerous breakthroughs. Among these were:

1) The characterization, in the final communiqué, of Nazi ideology as being “not only anti-Semitic but also profoundly *demonic* and *anti-Christian*.” (Emphasis added).

The characterization of Nazism as “demonic” identifies it as a manifestation of evil in the world, rather than an isolated, unique, aberration. This shifts the emphasis to the recognition of evil as such, and implicitly the recognition that evil is capable of multiple manifestations. The characterization of Nazism as anti-Christian, alongside being anti-Semitic, joins the two great faiths in fighting against this evil. It was especially important, in this context, that the communiqué ends with a statement of the Pope’s conviction that evil “can be overcome.”

It was not insignificant that this language, common to John Paul II but previously unused by Jews, showed up in personal interviews with the rabbis who participated in the meetings with the Pope and other Vatican officials. Rabbi Marc Tannenbaum, the director of international relations for the American Jewish Committee, spoke of the Nazi period as a “demonic chapter,” when he was interviewed Sept. 1 by NBC’s “Today Show.”

2) The Jewish promise, on behalf of international mainstream Judaism, to oppose anti-Catholicism “wherever” it arises. The text of the final communiqué reads: “The Jewish delegation declared its strong opposition to any and all anti-Catholic manifestations and pledged itself to join with Catholics in opposing them.”

It does not take great imagination to read this as a clear reference to the Soviet Union and its satellites. It is in the U.S.S.R. and Poland where by far the most celebrated anti-Catholic repression is ongoing today.

3) The creation, in the words of Rabbi Tannenbaum, of “a whole new structure to keep the Vatican in touch with trends and developments in the world Jewish community. . . .”

The agreement to build this structure, to institutionally cement ongoing Judeo-Catholic collaboration, was supplemented by the Vatican’s promise to issue a document, possibly even a papal encyclical (according to Rabbi Gilbert Klaperman, president of the Synagogue Council of America) on the issue of the holocaust. More broadly, the document will comprise a study of the history of anti-Semitism, including within the Catholic Church itself. This will cement Judeo-Catholic relations in a decisive, indissoluble way.

Taken all together, the decisions taken at the Vatican

meetings spell out the foundations for a politico-philosophical alliance both in the broad sense, but also specifically against the leading manifestation of organized evil today: the Soviet empire.

On the question of Israel, although the Vatican did not suddenly announce its diplomatic recognition of that country, an important step forward was taken when the Pope told the rabbis, as the final communiqué reiterates, that “there exist no theological reasons in Catholic doctrine that would inhibit such relations.”

A unique dialogue

Among the things that most impressed the rabbis was that, for the first time in long memory, a Pope met with Jewish representatives in actual dialogue. Unlike earlier audiences with past Popes, who limited themselves to reading a formal prepared statement, Pope John Paul II participated in a free discussion with the Jewish leaders. The result, coupled with the concrete agreements reached, was what Rabbi Klaperman characterized as “a beautiful experience.”

“He greeted us all by saying, ‘We are brothers.’ And that, in fact, set the tone for the entire meeting, which was very warm. . . . It was not an audience. This was a round table discussion. We each spoke. The Pope listened very intently to what everybody said. He said he was not prepared to answer all the questions at this time, and that he might answer them in the future. But in fact, I noticed, and we all felt, that he was making very copious mental notes of everything that was being said.”

The ‘marginal’ Bronfman

The success of the Vatican meetings have not, of course, put a stop to Soviet-inspired operations. If anything, Moscow now must step up operations for the unenviable task of trying to break the burgeoning Judeo-Catholic alliance. Hence, institutions such as the Wiesenthal Center have taken out advertisements in the *International Herald Tribune*, attacking the Pope for failing to announce instant diplomatic recognition of Israel. Bronfman’s World Jewish Congress hysterically denounces the Jewish leaders who met with the Pope, and promises to boycott the scheduled Miami meetings with John Paul II and the Jewish community, instead organizing protest demonstrations.

But the entire lot was dismissed by Rabbi Tannenbaum in his cited television interview. Asked whether there would be demonstrations in Miami, he responded: “Oh, I’m sure of it. There are marginal people in our community, as there are in the Catholic and other communities, who simply are going to exploit these meetings, with their demonstrations for their own purposes—institutional purposes and private purposes. . . . But those are appeals of hate, and we came here [to Rome] to appeal to hopes and love and mutual respect. And we represent the mainstream sentiment of the American Jewish people, and I think of the world Jewish community.”

Lavi cancellation: end of the Sharon era

by Joseph Brewda

On Aug. 30, the Israeli cabinet voted 12-11 to abandon the multibillion-dollar development of the Lavi jet, after an intense and bitter struggle. The fierce cabinet battle, which led to the resignation of Minister Without Portfolio Moshe Arens and provoked violent demonstrations in Tel Aviv, was sufficient indication that there was more at issue here than the development of a jet.

The Lavi project was the cornerstone of the strategic policy of Israel's Ariel Sharon faction, the faction which used the likes of Jonathan Jay Pollard to steal U.S. secrets for the Soviets. The Lavi was ostensibly a scheme to transform Israel into the nuclear-equipped military master of the vast region from the Indian subcontinent to Northern Africa. At the same time, and somewhat more publicly, developing the Lavi was to have made Israel the world's third-largest weapons supplier. The vote against the Lavi meant the end of this utopian scheme, the end of the Sharon era.

It was *EIR's* understanding of this hidden agenda in the Lavi's development which prompted us to produce a limited circulation report on the project back in 1982—the reference, over the years, for the forces that finally defeated it.

The public, and stupid American officials, were told that the Lavi was to be a jazzed-up version of the U.S. F-15 jet, which would somehow make Israel “technologically and militarily self-sufficient.” It was claimed that the jet could be produced at a significantly lower cost than comparable aircraft Israel was purchasing abroad, and that it therefore could be used to take over Third World military markets presently dominated by the United States, France, Russia, and Britain. The scheme's Israeli advocates noted that then-U.S. Secretary of State Alexander Haig prominently endorsed Israel's projected takeover of U.S. weapons markets. Until recently, the proposal was enthusiastically promoted by most major political factions in Israel, and almost the entire Israeli cabinet.

U.S. pressure to drop the Lavi had become increasingly evident over the last year, as it became clear that the cost of the jet's development would vastly outrun the initial projections, that, indeed, the jet could never be competitive. While the U.S. government had agreed to foot the bill for the project

during the first Reagan administration, despite the opposition of U.S. aircraft manufacturers, it was no secret that the White House had been trying to back out of the plan for some time.

But the most important point of pressure against the Lavi were leading figures within the Israeli military command itself, including the new Israeli Air Force chief of staff. The Israeli military began to attack the plane's development as diverting resources from the country's military and industrial capabilities in the service of a utopian fantasy. Israel's military realists, unlike their civilian counterparts, understood that chasing after the dream of “superpower” status, meant, concretely, such a diversion of resources that the destruction of the Israeli Army would follow. The clear result of the Lavi scheme would be Soviet domination of the region, not Israel's—and such a reality would be very close, were the U.S. fleet not now deployed in the Persian Gulf.

Israeli Foreign Minister and Labor Party leader Shimon Peres turned against the project. Peres, who had earlier been one of the plane's most vocal proponents, cast the deciding vote against it. Minister Without Portfolio Moshe Arens, the jet's designer, announced his resignation, while Industry Minister Sharon ranted that the vote was a “surrender to foreigners.” Sharon's designs on the premiership had just gone up in smoke.

The Lewis plan

The strategic plan behind the Lavi development was of one piece with the Carter administration's overthrow of the Shah of Iran and installation of madman Khomeini in 1979. This “Lewis plan,” named after its formulator, Princeton and British intelligence's Bernard Lewis, envisioned the imperial use of Shi'ite fundamentalism and ethnic insurgencies to fragment the nation states of the region stretching from the Indian Subcontinent through the African Maghreb—except Israel—allegedly as a means to contain “communism.” It was then-National Security Adviser Zbigniew Brzezinski's adoption of this plan, that gave us Khomeini, as an alleged “threat” to Moscow.

The corollary to the Lewis plan was the designation of Israel as a nuclear-equipped Spartan overlord of the region. Israel, equipped with the Lavi, would loyally control the region for the United States. In some variants of this story, Israel would actually replace NATO. The biggest promoters of the decoupling of the United States from Europe and the dissolution of NATO, were also among the most enthusiastic supporters of the Lavi. The Lavi was thus integral to the “New Yalta” scheme to abandon Europe, as well as the Middle East, to the Soviet Union.

This was the real secret behind Jimmy Carter's Camp David Accords. In fact, Camp David's secret protocols to this effect were negotiated by U.S. Gen. Richard Secord and senior Mossad officer David Kimche. It is by no accident that Secord and Kimche later emerged in the Iran-Contra affair as central to the U.S.-Israeli policy of selling arms to Khomeini.

Arab support for Iraq on the rise

by Thierry Lalevée

Iraq's Aug. 28 decision to resume air attacks on Iranian oil and military installations hit the diplomatic world, too, like a bombshell. Its most immediate happy effect was to disrupt secret negotiations between Iran and several Western countries for a new arms-for-hostages deal.

The attacks were resumed less than 48 hours after Iran's deputy foreign minister, Mohammad Javad Larijani, had returned from a visit to the United Nations in New York, and following a series of consultations with Italian Foreign Minister Giulio Andreotti and West German Foreign Minister Hans Dietrich Genscher. Seemingly focused on the U.N. disarmament conference and negotiations with Secretary General Javier Pérez de Cuéllar over the Gulf situation, the Larijani visit was actually part of the latest round of secret, direct negotiations between the U.S. State Department and Iran, negotiations which have continued unabated throughout the summer. In mid-August, for example, an Iranian delegation led by Ruhollah Khomeini's son, Ahmed, visited Geneva for such talks.

As a result, Iran was expected to help secure the release of a few Western hostages, with a priority given to the two West German citizens held in Lebanon. A \$10 million ransom arranged by Genscher has already been paid. On Aug. 31, *Bild Zeitung* announced that both were expected to be released within a week. The same report quoted "Israeli sources" asserting that CIA agent Charles Glass had never been kidnapped, but had gone "underground to pursue active negotiations with the Hezbollahi"—the Iranian-controlled Shi'ite terrorists in Lebanon.

Washington intelligence sources report that these negotiations are under the leadership of Abraham Sofaer, the chief legal counsel at the State Department, and a man very well connected in Israel. His name has repeatedly come up in the Irangate hearings, and it was he who was responsible for stopping any broader investigation of the Israeli intelligence network associated with Jonathan Jay Pollard.

Washington insiders report that it was at Sofaer's insist-

ence that both Richard Murphy and Michael Armacost of the State Department made a spectacle of themselves Aug. 30 by denouncing Iraq's actions as "deplorable." State Department officials who thought that a new political deal with Iran was in the making, were reported to be "white with anger" at Iraq's "sabotage." There is little the State Department can do about it, however, unless Iran were to make significant compromises. That is quite improbable.

New strategy and new goals

What prompted Iraq to renew its air attacks now, was not merely to terminate the State Department's "crisis management" games, nor even simply to pressure Iran into accepting the cease-fire called for in July's U.N. Security Council resolution 598. As U.S. force concentrations in the Gulf steadily mounted over the month of August, there followed a fundamental shift in the Gulf war situation.

Following the July 31 Iranian "pilgrims" rioting in Mecca, Iran retaliated by ransacking the Saudi embassy in Tehran, leaving a Saudi diplomat bleeding to death in the streets. Then came a bombing in Saudi Arabia's eastern oil province. The Saudis have let it be known they will take no from the mad mullahs, and under the Saudi lead, a new Arab strategy has been in the making.

The issue is no longer simply to ensure freedom of navigation in the Gulf, or merely to impose a cease-fire which would, at best, perpetuate the status quo in respective military positions. The issue now is how to impose an end to the Gulf war once and for all, if necessary by ensuring an Iranian defeat—and it appears it may well be necessary. Here, the Arabs are mindful of the consequences of "peace" on an Iranian mullah regime that has based its survival on blood.

This standpoint runs counter to the elaborate U.S. State Department scenarios which want to make of the Gulf a mere "crisis management" issue, complementary to broader American-Soviet negotiations.

Hence, it was coherent and "legitimate," as the Jordanian foreign minister declared on Sept. 1, for Iraq to renew its attacks now. The temporary lull in the tanker war allowed Iran to export up to 2 millions barrels per day, cashing an extra \$25 million which has quickly been converted into military hardware from China, the Soviet Union, Israel, and several Western countries. Allowed by the Security Council to drag its feet, Iran was rebuilding its financial and military power.

This was unacceptable to both Iraq and Saudi Arabia, and to many other Arab countries which had called for tough sanctions against Iran at the Arab League foreign ministers' meeting on Aug. 24. In fact, unable to elaborate an Arab League strategy because of resistance from Algeria, Libya, Syria, and Oman, Saudi Arabia, Iraq, Egypt, and a score of other countries, have set into motion a multilateral military strategy which calls for an Iranian military defeat.

The Saudis are already preparing for a direct war with

Iran. On Aug. 30, a Saudi diplomat announced that Riyadh would answer any attacks on Saudi tankers by "attacking an Iranian tanker." The same diplomat emphasized that "the monster [Khomeini] has to be kicked down."

Then, in an interview with the weekly *Al Musawaar* on Aug. 28, Egyptian Defense Minister Marshal Abu Ghazala recommended that the military forces of the Gulf Cooperation Council be pulled together. The interview was understood in the Gulf as a signal that Cairo would be ready to do more militarily if requested. Intelligence sources report that Cairo and Riyadh are discussing Egyptian intervention in case of Iranian aggression against Saudi Arabia.

Such a display of Arab unity has taken the Iranians by surprise and put them on the defensive. Although they increased their attacks against unescorted ships on Sept. 1, they are not expected to launch a major offensive before the end of the month.

The Soviets too are embarrassed, and are witnessing the collapse of their policy of "equilibrium" between the Arabs and Iran, and the potential loss of their asset, Khomeini. On Aug. 25, the publisher of Kuwait's *As Seyassa*, Ahmed Jarallah, warned Moscow that it could not "forget about striking a happy balance" between the Gulf Security Council and Iran. In other words, the Soviets cannot afford to side with Iran too openly.

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Communists bid for as violence spirals

by Valerie Rush

The national executive board of the Unified Workers Confederation (CUT), the largest trade union organization in Colombia, was closeted on Aug. 31 in a nine-hour battle over who would control the fate of the Colombian labor movement: the communists or the democrats. Against the backdrop of social and political decomposition triggered by right-left narco-terrorism, the CUT battle represents a striking microcosm of this besieged nation.

At the conclusion of the nine hours, CUT president and former Labor Minister Jorge Carrillo categorically informed the press that he would not permit the trade union organization to be used to destabilize the national institutions in this period of crisis. He was directly responding to the efforts of Communist Party leaders who have "burrowed" into the CUT, to use the labor movement as a battering ram against the armed forces, political parties, and government of Colombia.

Carrillo, who created the CUT last year in an effort to break the stranglehold of the drug mafia over the country's trade unions, is best known for his proposals to follow the Peruvian model of limiting debt repayment, while adopting a "great projects" approach to reviving the economy and creating jobs.

Carrillo's aggressive pro-development stance, together with his anti-communism and his anti-drug commitment, have made him a spokesman for Colombia's nationalist forces. They have also won him many enemies; Carrillo's name appears on a "hit list" just revealed to the press by the attorney general's office. On that list are military officers, journalists, professors, former government officials, even a priest. At least one person on that list, the head of the Human Rights Commission of Antioquia province, Dr. Hector Abad Gómez, was assassinated Aug. 25.

Labor movement threatened

Carrillo was insistent that the CUT "will not be used by any political party, because it has been 'reddened' to the point that it could lead to failure if the situation continues. . . . [The CUT] is an example that would have served the nation,

labor takeover in Colombia

and its failure would be a hard blow to the workers and to trade unionism, because there are no other alternatives. The only alternative is the CUT, and if it fails in its efforts, the Colombian labor movement will have failed.”

Carrillo also warned that the CUT’s name would not be used to back any political candidates from the *Unión Política* (UP), the political front of the Colombian Communist Party, nor to attack the armed forces, nor to sign communiqués with any political organizations. He specifically referred to two paid ads that appeared in the Colombian press under the name of the CUT, “that had not been consulted on with the entirety of the (CUT) leadership, and whose views are not shared by important sectors” of the federation.

He also disavowed a meeting held by the Communists in the CUT with Liberal Party executive Eduardo Mestre Sarmiento, who has been publicly linked to a leading cocaine trafficker. That meeting was to consider joint sponsorship of a mass protest or nationwide civic strike. Carrillo said he had not participated in that meeting, and that “it is unfortunate that it occurred.” He insisted that no such strikes or mobilizations had been authorized by the CUT executive. Rather, he said, “Large silent marches have been approved for Sept. 24, in five cities . . . which will have a much greater impact than a general paralysis. . . . With the situation in the country as it is, one can’t play with things. The nation demands unity of all Colombians.”

Carrillo was asked by reporters to comment on accusations that the CUT is synonymous with the left, to which the veteran trade unionist responded, “The enemies of unity have sought from the beginning to McCarthyize the process, but the leftists are lending them credibility by doing things they shouldn’t.”

‘Who benefits?’

If the CUT is captured by the Communists, conditions in Colombia will rapidly deteriorate, as the left-right violence scenario escalates into virtual civil war. Already, terrorism has reached unprecedented levels, and assassinations have

spread to prominent figures of every political stripe. When Dr. Abad Gómez, a professor at the University of Antioquia and candidate for mayor of the Antioquian capital of Medellín, was assassinated, he was attending funeral services for lawyer and president of the Educators Association of Antioquia, Luis Felipe Vélez Herrera. Vélez was also a founding member and regional leader of the CUT. Murdered with Dr. Abad was a fellow doctor and professor at the university, Leonardo Betancur. Three other Medellín professors have fled the country under threat of death.

The Aug. 25 Medellín murders, capping a several week murder spree directed at professors, students, and trade unionists, triggered a nationwide 48-hour teachers strike, and student riots and protests in Medellín and Bogotá. President Virgilio Barco followed an emergency cabinet meeting to discuss the heightened violence with a nationally televised address, at which the Colombian head of state announced a series of measures ranging from assignment of 90 specialized anti-terror judges to banning the import of high-powered motorcycles, the kind frequently used in assassinations. The prohibition of motorcycle sidecars, favored by mafia assassins, is stalled, due to protests from motorcycle-riding delivery boys. And the Supreme Court has received its first legal challenge to the creation of the 90 special judgeships as “violating the penal code.”

All 22 individuals whose names appear on the infamous “hit list” have submitted a public letter to President Barco, protesting the lack of seriousness of the measures he has announced. The letter also protests that despite the publication of their names as future victims of terrorism, not one of them has yet been provided with security to guarantee their lives. The letter was delivered personally to Barco by three of those threatened, former Attorney General Carlos Jiménez Gómez, former Foreign Minister Alfredo Vásquez Carrizosa, and former head of the national security police, Gen. (ret.) José Joaquín Matallana.

Vásquez Carrizosa, also a human rights specialist and regular columnist for the daily *El Espectador*, wrote Sept. 3 that Barco had provided a “superficial and shallow” review of the crisis facing the country, a crisis “not to be remedied by denying permits for motorcycles of a specific power.”

Although the “hit list” was originally reported to have been discovered in the home of a murdered senator of the communist UP, it was later revealed by Attorney General Mauro Hoyos to have been mailed Aug. 19 to the Antioquia press by the Communist Party-run FARC guerrillas, with the claim that the FARC had discovered this “extermination plot against democratic figures” by intercepting military intelligence.

A skeptical *El Espectador* columnist, Antonio Panesso Robledo, observed Aug. 31 that “There is nothing more secret in a terrorist organization than the list of its future victims,” and yet this hit list “inexplicably” made its way into the hands of the Communists. Panesso concludes, “The old way of clarifying a mystery still holds: Who benefits?”

García battles the banking oligarchy

Peru's President strives to develop an educated citizenry to defeat the terrorists and the drug bankers.

The narco-bankers have escalated their offensive against Peruvian President Alan García's bank nationalization campaign, with the Aug. 29 murder of Rodrigo Franco, the 30-year-old friend of the President and head of the state agency for food purchasing and distribution, ENCI. Franco was to have been named the head of the central bank of Peru, a post vacant since June, and would have played a key role in García's battle with the narco-banks.

At Franco's funeral, García declared, "I feel like I have aged 10 years in a single day." He lamented the loss of the man he viewed as "a younger brother." But he also blasted those traitors inside the Congress and his own APRA party who have favored an amnesty for jailed terrorists, currently under debate in the Peruvian legislature: "Those votes which defend death and violence are blood-stained. There is no difference between the person who recruits terrorists, and the terrorists who kill."

Franco's murder follows the attempted assassination Aug. 6 of one of García's closest advisers, Daniel Carbonetto. Carbonetto said at the time that he had received many death threats accusing him of being "the father of the nationalization," and that "those who tried to assassinate me at my residence are rightist terrorist groups which are obeying minority interests . . . affected by the recent economic measures."

There has also been an assassina-

tion attempt against the head of Mineroperu, aborted by security guards. The nephew of Communications Minister Mercedes Cabanillas was murdered, reportedly for his family connections. While most of these terrorist acts have been attributed to the "leftist" guerrillas, it is clear that the "right" narco-bankers and the "left" narco-terrorists have joined forces—were they ever separate.

But García has escalated too. The President's efforts to mobilize the Peruvian population have featured mass rallies around the country, in which García has appealed to each Peruvian to defend the nation.

In the small city of Tacna, on the Chilean border, the President developed the paradigms of Christianity and patriotism, which "are contained in the single criterion of giving and sacrifice. While the hero decides at a moment to give his life, the patriot decides throughout his life to live giving."

In an address to a mass demonstration in the Lima district of Comas, García answered those who asked him why he tolerated the insults of the enemy: "I allow this to test you, to find out your degree of awareness, so you can hear other voices and opinions, so you will learn to think for yourself, so you will not follow someone just because of his good looks or support a party because of its members. . . ."

"I want to teach; I want to educate. Making a revolution is not only changing bank owners. Making a rev-

olution is creating something in the mind of each Peruvian. But this must be done freely. . . . People must hear what the bankers, lawyers, and writers have to say . . . listen and decide on their own. . . . That is what this revolution is all about."

In an address in the northern port of Chimbote, García declared, "I cannot be satisfied with the usual works, improvements, or expansions. I cannot be satisfied with resolving problems . . . through mere growth, because Peru would be growing without change. We want Peru to grow with transformation. . . . Revolution is not only to become independent from abroad. . . . We must also carry out a domestic revolution. . . . We need an aware people with a great destiny who will write their real history."

García also ridiculed the narco-bankers: "They say this is an attack on property, and I ask: What property? The majority of Peru's people do not have property. . . . The bankers also say this is totalitarianism, and there is a lack of freedom. . . . What freedom do the unemployed have? What freedom does the resident of the poor districts of Chimbote have? What freedom from misery does the unemployed mother have? What freedom are we discussing? . . ."

"There are other countries where the banks were also nationalized and the wealth better distributed, but they did so without a free press, political parties, communications media, and free unions. That doesn't count. We want justice without sacrificing freedom. . . . This can be achieved by raising the people's awareness. They have their millions and their television campaigns. I have the plazas, the people. . . . Because we have the conscience of the people—which is what frightens the powerful the most—we can afford the luxury of carrying out this revolution in democracy."

Malacanang Palace under siege again

by Linda de Hoyos

Although the Aug. 28-29 military coup against the government of Philippines President Corazon Aquino was put down, the government appears to have been weakened by the entire episode, possibly fatally. Although the Aquino government is firmly in control in the capital city of Manila, the coup has exposed and exacerbated a growing political vacuum at the center, which threatens to throw the country into conditions of total ungovernability.

Militarily, the Aquino government is under pressure from three different directions:

- Col. Gregorio "Gringo" Honasan, who led the first coup against former President Ferdinand Marcos in Malacanang Palace in February 1986 and who led the recent coup attempt against Aquino, is still at large and reportedly commanding up to 2,000 troops, most of them likely centered north of Manila in central Luzon. In addition, the island of Cebu, under the command of Gen. Edgardo Abenina, appears to remain under rebel troop control. Honasan's coup bid was by far the most serious of five coup attempts since Aquino came to power, and would likely have succeeded but for an hour-and-a-half delay of rebel reinforcements arriving in Manila. Intelligence sources in Manila report that Honasan and his forces now view the Aug. 28 attempt as a "dress rehearsal" for the real coup—which can soon be expected.

- The Moro National Liberation Front is poised to move in the southern island of Mindanao. The MNLF has declared war on the Aquino government, whose disarray now makes negotiations even more difficult. Mindanao has been left "uncovered" by the transfer of government troops from the island to Manila to put down the soldier revolt.

- The New People's Army on Sept. 4 ambushed a convoy 50 miles east of Manila, killing 21 soldiers. In the last week, the NPA had killed at least 40 soldiers and civilians. An NPA communiqué issued Sept. 1 stated: "Intensification of the revolutionary war and other people's struggles is the correct response to the worsening strife among the reactionaries. Let us take full advantage of political crises in Manila." As in the ambush of Sept. 4, the NPA is now operating in larger groups—up to 200 at a time—with such large-scale ambushes of troops a regular occurrence.

Aquino is also suffering a steady erosion of her political bases of support. On Aug. 27, thousands of trade unionists,

organized by the left-wing May First Movement, hit the streets against a 20% rise in oil and gasoline price. Most protestors were members of the Bayan Party, who in February 1986 surrounded Camps Aguinaldo and Crame on Aquino's behalf. Representing trade unionists and farmers, many left nationalists have been forced into opposition to Aquino because of her subservience to the foreign creditors, and failure to improve the poverty-stricken life of the average Filipino.

For the same reason, Aquino has increasingly earned the wrath of the Makati businessmen, who also played a major role in bringing her to power. The Philippines Chamber of Commerce and Industry Aug. 28 blamed the Aquino government for the attempted coup. "These last few months . . . have witnessed some emerging disenchantment not just within the military but among other sectors as well. The government should look into the sources of this disenchantment and reassess whether it can still maintain its seemingly wavering stance on issues central to peace and order, business confidence and economic growth."

Within the army itself, pressure is mounting—a pressure reflected even in the U.S. press—for the removal of Chief of Staff Fidel Ramos, who led the military operations against the rebel soldiers. Government troops were not aiming to kill rebels, report Manila sources, and instead fired their shots in the air. Honasan was permitted to escape from Camp Aguinaldo in a helicopter without a shot fired. The army, bitter over lack of material and moral support from the government while troops are being gunned down by the NPA, cannot be counted upon to come to Aquino's rescue.

Aquino, it would appear, does not even have the wholehearted support of the Catholic Church under Jaime Cardinal Sin. Although Sin proclaimed at a mass Aug. 30 that it was "a miracle" that the coup failed, signaling a "hand from above" intervened on Aquino's behalf, during the three days of conflict, the Cardinal was unusually silent, issuing no calls for the defense of Aquino.

As her isolation increases, Aquino is left with the sole support of the U.S. State Department. On Aug. 28, President Ronald Reagan proclaimed his full support for the Aquino government, and on Aug. 30 Undersecretary of State Michael Armacost declared that if a coup were successful, all U.S. aid would be cut to the new government "by law." However, there are indications that the U.S. intelligence community is now divided on the issue of Aquino's tenure. Whereas in 1986 the U.S. intelligence community was unanimous in its support for Aquino, the predictions of the *EIR* that Marcos's overthrow would lead to an economic and social devolution have been borne out by the Aquino government's performance over the last 20 months.

The accuracy of the *EIR*'s projection then, however, is poor comfort today. Despite Armacost's admonishment, if a successful coup is not launched or if the Aquino government does not radically alter its own military and economic policies, the Philippines faces a protracted multi-sided civil war.

A policy for the West, or the East?

Genscher's foreign policy is benefiting the Kremlin's strategic interests, and jeopardizing relations with Germany's allies.

The latest foreign policy decisions of Germany's Chancellor Helmut Kohl, taken at the prompting (or, under the blackmail) of Foreign Minister Hans Dietrich Genscher, have shocked most of his alliance partners in the West.

First, the decision to cultivate a "special relationship with Teheran." At the end of August, Genscher and his advisers, such as the Institute of Oriental Studies in Hamburg, presented an outline for an intensified official dialogue with Khomeini's Iran on economic and political cooperation in the Gulf—on the eve of a direct military conflict in the Gulf between the Western powers and the mullahs!

Iran's speaker of the parliament, Hashemi Rafsanjani, has been issuing one wild threat after another against the Western presence in the Gulf, and yet, he is being courted as Genscher's "Iranian moderate."

On Aug. 31, a planning session took place in Hamburg, attended by members of the German-Iranian Chamber of Commerce, Institute of Oriental Studies head Udo Steinbach, and Jens Petersen, the ambassador to Teheran. On Sept. 2, Steinbach had a full day of meetings with government officials to discuss this remarkable and adventuresome policy.

The Genscher initiative has caused considerable irritation in London, Paris, and now, even in Washington, D.C.—if not at the State Department. Many in the foreign policy establishment in France and Britain have expressed doubt whether Genscher is still with the West—if he ever was. Of the chill that has emerged over Gensch-

er's Iran policy, cartoons in the press of France, depicting him dressed in a mullah's outfit, speak volumes.

Were this not enough, Chancellor Kohl then decided to adopt the Soviet view that Germany's 72 Pershing-IA missiles are "the key obstacle to a Geneva arms control agreement." Admittedly, Kohl attached some tough conditions to his promise to give up the missiles. But still, France and Britain view Kohl's unilateral concession as a precedent for the Kremlin to renew its demands that the French and British nuclear arsenals be discussed at the Geneva arms control talks, too.

The Pershing-IAs are a so-called "third state potential." According to an agreement between the United States and West Germany, the Germans have the U.S.-made missiles, while the Americans keep the nuclear warheads that can be mounted on them.

There are similar arrangements between the United States and other non-nuclear powers in the NATO alliance, most notably, Turkey.

These "third state potentials" have never been discussed at the American-Soviet arms control talks, and Moscow never demanded that they be. The Russians first wanted to secure a U.S. concession on the so-called double-zero option, i.e., removal of all super-power missiles with a range of 500 kilometers or more.

Just recently, as this double-zero agreement neared signature at Geneva, the Kremlin hinted at concessions on the 1,400 missiles with ranges below 500 kilometers stationed in Eastern Europe—if the Germans sacrificed their 72 Pershing-IAs. But why

should the Kremlin withdraw 1,400, or even some smaller number of missiles, to gain removal of a mere 72 missiles in West Germany?

While the intensity of Soviet arms control propaganda turned Kohl, and clearly, the closely-consulted President Reagan, into Pavlovian dogs staring at the sausage just before their noses, the Kremlin achieved the gain that, via the P-IA dispute, the only agreement directly coupling German to American defense is now up for auction.

More, Kohl's concession has, for the first time, placed a "third state potential" of the West on the arms-control agenda.

Still more, if Moscow doesn't care much about the 72 German missiles in and of themselves, it does care about the British and French missiles.

All this escaped Chancellor Kohl's attention, as he dashed ahead with the announcement after a few hours' consultation with a U.S. President who is equally blind on strategic matters. Kohl did not even consult with prominent members of the German defense lobby.

From London, the *Daily Telegraph* Aug. 27 denounced "the Chancellor's concession as benefiting the Warsaw Pact at the expense of NATO," and posing an implicit threat to the British and French arsenals. Whatever official British and French opposition remained to Reagan's zero option deal, the German Chancellor had stabbed it in the back.

This all earned Kohl no laurels in Moscow, however. On Sept. 1, Soviet Foreign Ministry speaker Grimitskych mocked the debate in Bonn on the P-IA as "too much ado about nothing." The main Soviet interest, he said, was not German missiles, but U.S. nuclear warheads: "But on these, the Chancellor has no competence to comment."

Is Lane Kirkland an East German agent?

by Don Baier

A whole carload of Soviet moles has just been exposed in Washington, D.C. AFL-CIO president Lane Kirkland, former United Nations ambassador Jeane Kirkpatrick, Carl Gershman of the National Endowment for Democracy ("Project Democracy"), Assistant Secretary of State Elliott Abrams, Sen. Daniel Patrick Moynihan, Midge Decter of the Committee for the Free World, Leo Cherne of the Research Institute of America, and assorted others gathering under the banner of "staunch anti-communist, right-wing social democrats," had better look to their security clearances. Their fellow travelers in the West German branch of the Socialist International, the leadership of the Social Democratic Party (SPD), have, in broad daylight without a stitch of cover, just crawled into bed with the communist party of East Germany, a wholly-owned subsidiary of the Soviet regime.

Not in some sneaky, backroom affair, either; this is an official marriage. The SPD, West Germany's second largest party after the Christian Democrats, has just agreed on "ideological principles" with the East German regime's Socialist Unity Party (SED), in a new paper titled "Pan-German Socialism." The SPD's Erhard Eppler and the SED's Otto Reinhold proclaimed this, at simultaneous press conferences in Bonn and East Berlin Aug. 27, as the "first document since 1919 which has been jointly signed by Communists and Social Democrats," and an "historic document in the history of German parties."

It is no longer a question of "one system destroying the other," according to this new vision. "Cold war images of the enemy on both sides" must be eliminated.

Quite a bit of history had to be rewritten to permit this marriage to take place. The post-World War II purge of Social Democrats carried out in the Russian-occupied zone of Germany had to be forgotten; the torture and jailing of Social Democratic opponents in East German prisons ignored. The Communists' attacks on "SPD Social Fascism" in the 1920s and 1930s, when Moscow was happy to feed the Social Democrats to Hitler's Nazis, and anticipated a communist takeover from both "after Hitler has discredited himself"; later, Stalin's partnership with Hitler, and the Hitler-Stalin pact of 1939—all this, the SPD now describes as "tragic aberrations in the changeable history of German Socialism."

How was it possible that the major party of working people in the country which is the most important single military ally of the United States in Europe, should discover

it possessed "common principles" with Moscow's puppets? This is where our American friends of the Socialist International come in.

In August 1983, the late Soviet President Yuri Andropov proposed, in the pages of the West German newsmagazine *Der Spiegel*, a deal whereby the United States would be permitted what the "Project Democracy" crowd calls a "victory over communism" in Central America, in exchange for acknowledging greatly broadened Soviet spheres of influence in Western Europe and the Middle East. Ever since, "right-wing social democrats" such as Jeane Kirkpatrick and Lane Kirkland, have been energetically arguing that, since "there is a reduced threat to Europe" and "Europe should do more to defend itself," a "decoupling" of the U.S. military and political alliance with Europe, West Germany in particular, is in order.

This suggests why Kirkpatrick's ally Carl Gershman, the former executive director of Social Democrats USA, has become the executive director for the National Endowment for Democracy, the above-ground arm of the "Project Democracy" named by Lt. Col. Oliver North as his operating base for the Iran-Contra arms deals. It indicates what the AFL-CIO's Lane Kirkland has been up to, through supporting such agencies as the Friedrich Ebert Foundation "think tank" for the West German SPD. And the position of "right-wing social democrats" in the Reagan administration, explains, in part, how a supposedly "conservative" government could appoint an advocate of the decoupling strategy, Richard Burt, as its ambassador to Bonn.

The SPD-SED pact of Aug. 27, 1987, was three years in the making. In January 1984, the Social Democrat Horst Ehmke wrote a manifesto on the "decoupling" of the Federal Republic of Germany from the United States, with the title, "Germany's Self-Assertion." In February, Ehmke visited East Germany and brought up the idea of official contacts between the People's Assembly there and the German Parliament in Bonn. From then on, the SPD's Commission on Basic Values, and the Academy of Social Sciences of the Central Committee of the SED, met at regular intervals. This arrangement was blessed by the U.S. State Department.

During this same year, 1984, Helga Zepp-LaRouche and her collaborators created the Schiller Institute, because they recognized that there no longer existed an institution ready to fight at all costs to maintain the Western alliance, and that without such an institution, a Soviet takeover in Western Europe would become inevitable. The Project Democracy crowd vociferously condemned Zepp-LaRouche and her husband, Lyndon LaRouche. The top-secret National Security Agency, it has now been learned, opened an investigation of the Schiller Institute under Executive Order 12333. Among other nasty names, the Project Democracy gang called the LaRouches "East German agents." Since Project Democracy's political collaborators in West Germany have just proclaimed their "common principles" with East German party boss Erich Honecker, they have some explaining to do.

Reagan to welcome Sweden's premier

Prime Minister Carlsson's visit is seen as breaking the ice, but what will emerge underneath?

If you go by the communiqués and the official pronouncements of the Swedish foreign ministry, as well as by the declarations of its foremost representatives, and if you at the same time follow the foreign-policy line of those Swedish media that are subject to state supervision (radio, TV), you get the impression that Sweden, employing great propaganda efforts, has to defend itself from two aggressive neighboring countries—namely *Chile* and *South Africa*.”

Thus began a pointed review of Sweden's foreign policy by the Aug. 21 *Neue Zürcher Zeitung*, the daily of record of another neutral country, Switzerland. Before Swedish Premier Ingvar Carlsson's Sept. 9 arrival in Washington, D.C.—the first official Swedish prime minister's visit to the U.S. in 35 years—the question raised by many an observer is, “Has Sweden's foreign policy changed after Palme?”

Although Swedish foreign policy declarations still conform to the pattern that little dogs bark more aggressively, the further away the object of their anger, most of the barking is no longer performed by the prime minister in person, but rather by Foreign Minister Sten Andersson and his right-hand man, Foreign Affairs Undersecretary Pierre Schori. While Carlsson does espouse a new style—more low key than Palme's in foreign affairs—it is still opportune for Swedish officials to assail the United States on every occasion, but be taciturn and cautious respecting the Soviet Union, the sole foreign power proven to represent a threat to Sweden.

After a long, icy period in Swedish-American relations, reaching its nadir in 1972-73 as the U.S. ambassador and his number-two man were both posted in the United States, the new opening signaled by Carlsson's visit became visible toward the end of Olof Palme's reign, with the arrival of the new U.S. ambassador to Sweden, Gregory Newell, and the Swedish decision to abide by the U.S. rules for exporting militarily sensitive technologies.

While terminating Western high-technology leaks to the East is certainly important, the Swedish regime otherwise continues habitually to attack the U.S. administration where it is right, and to support it where it is at fault.

To the extent that the U.S. government pushes ahead on its Strategic Defense Initiative, enhances traditional American positions of influence in any part of the world, or generally counteracts the Soviet drive for a “New Yalta” deal over the heads of other sovereign powers, it can be sure to be met by disapproval from the Social-Democratic apparatchiks populating the corridors of the Swedish foreign ministry.

If, on the other hand, the U.S. government lends a helping, if “invisible” hand to the fascist economic austerity policy of the International Monetary Fund, the Swedish Social Democrats will invariably either give outright support to such policies, or gleefully seek to reap the anti-American fruits cultivated by U.S. support of economic destruction in many regions of the world.

While a Swedish social-democratic foreign policy maker would hypocritically be horrified at the revelations of unlawful actions in the congressional Iran-Contras hearings, he would at the same time himself depend on the same “Project Democracy” operations characteristic of an Ollie North, a Michael Ledeen, or an Alexander Haig.

He would, for example, support the Iranian war effort, as the U.S. “invisible government” did under the pretext of aiding the hostages; he would also exploit the U.S. support for the dope-peddling Contras, to excuse making the Nicaraguan junta the sole recipient of all Swedish aid funds going to Ibero-America. Undersecretary Schori, of course, has gained notoriety for disapproving of “right-wing” dictatorships such as that of Pinochet in Chile at least as strongly as he graciously approves of totalitarian methods if they are exercised in Nicaragua, in Cuba, or against his own political enemies in Sweden.

In spite of almost two decades of official anti-American rhetoric by neutral Swedish governments, the Swedish people, one of the most Americanized, for both good and bad, in the 1950s and 1960s, have maintained overwhelming pro-Western sympathies. Not only is Russia the hereditary foe of Sweden throughout centuries of history, but the dramatic Soviet submarine incursions so much in evidence during the 1980s have made it clear to increasing numbers of Swedes that their national security, in one form or another, is found in a stronger Western alliance.

While this simple fact will be hysterically denied by any faithful Swedish Social Democrat, Premier Carlsson included, the reality of life next-door to an ill-tempered bear makes decent relations with anybody who could keep the zoo in order indispensable.

What Moscow has to hide: Rudolf Hess and the Secret Protocol

by Molly Hammett Kronberg

The whispers and rumors started up almost as soon as Rudolf Hess, the 93-year-old former deputy Führer of the Nazi Party, died in August—the last Nazi prisoner in Berlin's huge Spandau Fortress prison.

First, it was reported simply (autopsy no. 1) that he had died. Next (autopsy no. 2), it was learned that the body showed strangulation marks. It was said he had throttled himself with an electrical cord.

Then, Hess's son, Wolf-Rüdiger Hess, requested a third autopsy, telling the press that he was certain his father had not committed suicide. Shortly thereafter, Wolf-Rüdiger suffered a stroke, which put him out of commission.

It is not astonishing when a 93-year-old man dies. Nor is it astonishing that someone who, like Hess, had attempted suicide in the past, should finally succeed (although self-strangulation seems a strenuous endeavor for a man in Hess's weakened physical condition).

Still, the ugly whispers and rumors won't die down. Many point to Soviet involvement. Is this a last, strange chapter in the story of Rudolf Hess and the Russians? First, a little background.

Hess remained in Spandau Fortress (after every other Nazi war criminal sentenced to life was released for old age or ill-health), because the Soviets insisted he never be let go. The British, Americans, French—the other three occupying powers of Berlin—urged that Hess be sent home. Moscow said, *nyet*. And so, Hess stayed in Spandau.

Why? Did Hess commit such horrible crimes in Russia?

In fact, from 1941 on, Hess was not in Germany, but in Britain, having flown to Scotland in May of that year. Thus, Hess had been a POW for six weeks before Hitler invaded Russia. Hess was out of Germany in the period of the slave-labor program; when SS *Einsatzgruppen* committed their atrocities on the Eastern Front; when the SS tried to exterminate European Jewry. In fact, at the postwar Nuremberg Trials, Hess was acquitted of crimes against humanity and war crimes. No clue here to the Russians' special virulence.

Why Hess? Why the Russians?

But Moscow saw some important things about Hess:

1) The existence of the Secret Protocol to the August 1939 Hitler-Stalin Pact was first made public at Nuremberg, in Hess's defense, by Hess's lawyer.

2) His deputy was Martin Bormann.

3) His mission to England in 1941 was to conclude an Anglo-German understanding, whereby the two "Germanic nations" would band together against the Russians.

The first point is the most important.

When World War II ended, no one among the Western Allies knew of the existence of a Secret Protocol, attached to the Hitler-Stalin "Non-Aggression" Pact of Aug. 23, 1939 and signed by Nazi Foreign Minister Joachim von Ribbentrop and Soviet Foreign Minister Vyacheslav Molotov. Even after Germany and Russia were engaged in a vast and bitter war, both sides had reason to bury proof of their former brutal friendship. But at war's end, the Russian secret stood in danger of being exposed, as Nazi archives and prisoners fell into the hands of the Western Allies. Russia faced the threat that the Protocol would be revealed, and itself reveal Russian imperial ambition.

What did the Secret Protocol to the Hitler-Stalin Pact say? That, "in event of any war," Russia would be assigned "spheres of influence" in eastern Poland (40% of the country); the Baltic states of Latvia, Lithuania, and Estonia; a free hand in Finland; and that portion of Romania abutting Soviet territory. Soviet actions after Hitler's invasion of Poland on Sept. 1, 1939, showed how precisely the Soviets adhered to the Protocol's terms. On Sept. 17, Russia invaded Poland from the east; on Sept. 18 Russian and German troops shook hands in Poland. Then, Moscow invaded Finland. Next, it took the Baltic states.

Stalin was able, in conference with Britain and the United States (when they became his allies against Hitler), to present these actions as "defensive" against the Nazi threat. But the Secret Protocol would prove that, to the contrary, Russia had used the deal with Hitler to advance her ancient imperial designs on Europe.

To this day, therefore, the Soviet Union denies the existence of the Secret Protocol, and claims its appearance after the war was an "anti-Soviet forgery."

The Hess defense and the Russian secret

Rudolf Hess's Nuremberg defense lawyer revealed the Protocol's existence to the West.

In March 1946, Hess's lawyer, Dr. Alfred Seidl, overheard in the Nuremberg prison a chat between Joachim von Ribbentrop, Hitler's foreign minister, and Hermann Goering, in which Ribbentrop told Goering that in August 1939,

when he, Ribbentrop, had visited Moscow to sign the Hitler-Stalin Pact, he had also signed a secret protocol. Ribbentrop told Goering: "This secret agreement defined the spheres of interest in the event of any war." Ribbentrop described how he and Soviet Foreign Minister Molotov—with Stalin standing by, nodding—had drawn a line in Poland, along the Vistula and Bug rivers, to the west of which would lie the German sphere of interest (occupation); to the east of which, the Russian. The Soviet sphere, Ribbentrop said, included Finland, Latvia, Estonia, Lithuania, eastern Poland, part of Romania. Ribbentrop also told Goering, as Seidl overheard, that since his indictment at Nuremberg, the Russians had warned him that things would go better for him if he did not talk about this protocol.

Seidl saw a way to use this in Hess's defense. If Seidl could prove such a protocol existed, then Stalin was as guilty as any Nazi, of plotting an aggressive war.

Hess had been indicted for conspiracy to wage aggressive war; crimes against peace; war crimes; and crimes against humanity. Seidl correctly reasoned that Hess would be acquitted, as indeed he was, on the last two, since he had not been in Germany in the relevant period. Thus the important charges against Hess were conspiracy to wage aggressive war, and crimes against peace. And those charges would be drastically affected by revelations of Russian conspiracy to do the same.

Obviously, if Stalin were shown to be guilty of plotting—with Hitler—to wage aggressive war, then the question arose: What were the Soviets doing as judges with the French, British, and Americans on the Nuremberg tribunal? The tribunal would have to be reconstituted.

Would not Molotov and Stalin have to be tried? They had stood at a map table with Ribbentrop in Moscow, while Ribbentrop consulted with Hitler on the phone from Germany, and the four of them had redrawn the map of Eastern Europe. Stalin and Molotov could be accused of having conspired with Hitler to wage war; shouldn't they take their places in the Nuremberg dock?

Seidl hunted for someone who had gone to Moscow with Ribbentrop in 1939, someone not indicted at Nuremberg, whose testimony would hence be credible. He found Dr. Friedrich Gaus, once undersecretary of state in the Nazi foreign ministry. "Was there such an agreement?" Seidl asked. "Yes," said Gaus. "I remember it quite clearly."

But Seidl needed a copy of the document. Gaus believed all archives of the German foreign ministry had been turned over to U.S. officials. Seidl probed American contacts; one evening, he was approached by an American officer who handed him an envelope: "Here is something that may interest you." It was a copy of the Protocol.

Seidl showed it to Gaus, who believed it to be a true copy of the Protocol, and signed this affidavit:

"About noon on Aug. 23, 1939, the plane in which I was traveling with von Ribbentrop landed in Moscow. I was acting as his legal adviser in regard to certain negotiations

with the government of the Soviet Union.

"Later in the afternoon the discussions started between Stalin and von Ribbentrop. . . .

"In the evening a second discussion took place for the purpose of completing and signing the necessary documents. I had prepared the draft for Herr von Ribbentrop. Ambassador Count Schulenburg and the counsellor from the embassy and Hilger were also there. Stalin and Molotov carried on the negotiations for the Russian side. . . .

"Besides the non-aggression pact," Gaus's affidavit continued, "there were negotiations at some length about a special secret document, which in my recollection, was called 'secret protocol' or 'secret additional protocol.' This aimed at the delimitation of the mutual spheres of influence in the European territories situated between the two countries. . . . In this document, Germany said she was disinterested in Latvia, Estonia, and Finland, but regarded Lithuania as part of 'her sphere of interest.' At the same time, Germany wanted to have an interest, but not political, in the Baltic ports which were free from ice. This, of course, was not acceptable to the Russians. Obviously, Ribbentrop was acting on instructions, as he had booked a phone call to Hitler which came through at this time. He was told to accept the Soviet point of view.

"For the Polish territory a demarcation line was fixed. . . . The agreement reached about Poland was to the effect that both powers should settle all questions concerning that country at a final meeting. . . ."

Armed with this, and the text of the Secret Protocol, Dr. Seidl dropped his bombshell on March 30, 1946. He questioned Ribbentrop, who admitted the Protocol's existence and said: "If war broke out, occupation of those zones was to be undertaken by Germany and Russia. At that time I heard expressions from both Stalin and Hitler that Polish and other territories thus delineated were regions which both sides had lost in an unfortunate war [World War II]."

The judges at Nuremberg stopped Seidl's questioning.

Thereupon, Seidl declared that if the court did not understand the relevance of this to Hess's case, he would demand that Soviet Foreign Minister Molotov be called as a witness. He added that at least one of the nations now acting as a prosecutor in the Nuremberg trials had been involved in the conspiracy that led to World War II.

The Russians rave

Next, Baron Ernst von Weizsäcker (a former secretary of state in Ribbentrop's foreign ministry and, by the way, the father of the current West German President) was called. Seidl showed him a copy of the Protocol and asked, "This was given to me by an Allied army officer. Is this a copy of a document you have seen previously?"

Soviet prosecutor Gen. Roman Rudenko sprang up: "The court is investigating the case of the major German criminals. It is not investigating the foreign policy of the Allies. This anonymous document . . . can have no positive value."

The tribunal judges, after frantic caucus, upheld Ruden-

ko's objection to producing the document, but let Weizsäcker be questioned. Here is his testimony:

"The Secret Protocol, of extensive scope, drew a line of demarcation between areas which in certain circumstances would be of interest to the Soviet Union, and those which would belong to the German sphere of interest. In the Soviet sphere were included Finland, Estonia, Latvia, the eastern parts of Poland and certain parts of Romania. Everything west of that line was left to Germany. Later, in September or October 1939, amendments were agreed upon by which Lithuania, or the greater part of it, was transferred to the Soviet sphere, and the line of demarcation in Poland was moved considerably to the west [he means east]. Explicitly or implicitly, the secret agreement was to create a completely new order in Poland. And when it came into operation, this line of demarcation was followed closely."

Lord Justice Lawrence asked Weizsäcker if he knew the agreement existed in writing.

The latter replied: "I kept a photostat copy of that pact in my personal safe, and I will have no hesitation in recognizing it if it were put to me."

The tribunal judges, after another nervous caucus, decided that since the origin of Seidl's copy was not known, it could not be admitted as evidence.

In the event, Hess was sentenced to life in prison. The Russian on the tribunal, Maj.-Gen. Nikitchenko, demanded the death penalty, but lost out.

The Soviets got the next best thing: Hess served life in prison, under the proviso that he could never be interviewed by journalists, historians, or anyone else.

The Soviets seem to have exacted reprisals for the disaster of the revelation of the Protocol. For example, the American officer who gave the text to Seidl. Shortly after the trial, he died in a car accident in the Soviet sector of Berlin, caused, it seems, by a collision with a Red Army truck driven by officers of the Soviet Secret Police (see J. Bernard Hutton, *Hess*, Macmillan, 1970).

Did the Russians have Hess killed in August? Why bother, now? Some answers are offered by observers. One is just that the mills of Soviet vengeance may grind slow, but they grind exceedingly small. Another is that Hess was on the point of being released, or revealing new details of Soviet involvement with the Third Reich.

What could those have been?

Martin Bormann, Hess's deputy

One rumor with a long life is that Martin Bormann, who started his career as deputy to Rudolf Hess, and became Hitler's secretary, was a Soviet mole.

After the war, Reinhard Gehlen (who ran German intelligence operations in the East) told an American debriefer that he believed Bormann to have been a Soviet agent. He said he was sure that, when Bormann left the *Führerbunker* in Berlin on May 1, 1945 (after Hitler's suicide), he was trying to reach the Russian lines.

In the late 1970s, reported the British press of the day, British intelligence's Sir Maurice Oldfield ("M," who had died not long before the articles were published) was quoted saying he believed that one of Rudolf Hess's top deputies had been a Soviet agent. Probably, this was gleaned from debriefings of Hess in 1941-45, when Hess was in Britain. Hess's top deputy was, of course, Bormann.

Bormann found his ticket to power as a faceless functionary in the mid-1930s, when, as Hitler was dumping Hess, Hess hit on the idea of having Bormann represent him at Hitler's headquarters. Bormann seemed to Hess the perfect buffer between himself and Hitler.

Bormann saw his chance, and took it. He began the process of undercutting Hess's access to, and influence on, Hitler. At the same time, Bormann began the delicate process of making himself "indispensable" to Hitler.

To this end, Bormann took over Hitler's personal finances. He ran the household budget, doled out money to Hitler's adjutants, and to Hitler's mistress, Eva Braun.

He took over Hitler's scheduling: He determined who saw the Führer, and thus whose views were heard. By the middle of the war, Bormann had become Hitler's shadow, *The Secretary*, controlling appointments, schedules, money.

Meantime, Bormann built up a file of nearly every word Hitler uttered. From this, Bormann issued what he said were Führer-Orders. Since, in the legal system enjoyed by Nazi Germany, anything Hitler said had the force of law, Bormann accrued great power this way.

The book *Hitler's Table Talk* represents Bormann's recording mania gone wild. Beginning 1941-42, Bormann employed stenographers to sit discreetly behind a curtain and record every word Hitler let fall at the dinner table.

Hitler never discussed military matters in these settings; the *Table Talk* is useless from a military standpoint. But it gives a full psychological profile.

What was Bormann doing? Hitler certainly hadn't ordered it; indeed, he was annoyed when he found out, and put a stop to it. Did Bormann have a destination for this material, someone waiting back at the Kremlin who wanted a reading on Hitler—after June 22, 1941, the day the Germans invaded Russia, after which the record starts?

At the war's end, as the Red Army besieged Berlin, Bormann swore to all in the *Führerbunker* that he would do himself to death; yet when Hitler was dead, Bormann slipped into the fiery night with an armful of documents.

If he were seeking the Russian lines, he failed. In the 1970s, his bones were found under a Berlin street.

Wouldn't Hess, the consummate anti-Russian who flew to England in 1941 to forge a grand Anglo-Saxon alliance against Russia, have suspected the truth, if his top deputy, who destroyed him politically, were a Soviet spy?

Probably the Russians thought so.

For now, we let the matter rest. Moscow's fixation on Hess persisted until August. It is a good hypothesis that in the Hess case, Moscow has one more thing to hide.

Musical world mourns loss of Amadeus Quartet's Peter Schidlof

by Hartmut Cramer

The news of the sudden death of Peter Schidlof, the viola player in the world-famous Amadeus Quartet, comes as a particularly painful blow to the entire musical world. With his passing, not only did we lose a great artist, and perhaps the greatest violist of all time, but Schidlof's death also means the end of the Amadeus Quartet itself—this unique musical institution, which has actively shaped the greater part of postwar musical history. For, as with each of the other three members of this remarkable string ensemble, Peter Schidlof is “simply irreplaceable.”

Hans (“Peter”) Schidlof was born on July 9, 1922 in the little Austrian village of Göllersdorf, not far from Vienna. His family was Jewish, but his parents sent him to a Catholic school, and because of his musical talent, he received his first violin lessons at an early age: first from the local blacksmith, and then from the village schoolteacher. The lessons must not have been that bad, either, since even in his early school years he was already appearing in concerts, including one given for the Archbishop of Austria. But despite this, his career interests were more oriented toward those of his cousin, who was a chemist.

Hitler's invasion and *Anschluss* in March 1938, of course, changed all that. Schidlof's parents, fearing Nazi persecution, arranged an escape while it was still possible. They succeeded in placing him, along with his sister, in a “children's transport” bound for England—the only operation which would take children to the British Isles without their parents accompanying them. When he arrived in December 1938, he was carrying little more than his violin; he was put into a school, and when the war broke out shortly thereafter, at age 17 he was put in an internment camp along with so many other Jewish emigrants from Germany and Austria, who had been declared “enemy aliens.”

But despite the hardships involved, in retrospect his internment turned out to be a remarkable stroke of good luck. In one of the many camps he worked at, he first met Norbert Brainin, who became his inseparable friend, and then also Siegmund Nissel; together, these three became the founders of the Amadeus Quartet after the war. With the help of friends, they were able to arrange their release from internment camp in 1940, as “artistically valuable figures,” and took up studies in London with Max Rostal, the former student and assistant of the world-famous violin teacher Carl Flesch. Rostal, who would not accept “a single penny” for his lessons, recogniz-

ing not only the great musicality of the group, but also their considerable talent for chamber music. He educated Schidlof, Brainin, and Nissel—who, while the war lasted, had to work eight hours in munitions factories before they could devote the following four hours to violin studies—into disciplined, creative musicians.

It was thanks to Rostal's influence, and especially the fact that he also trained his students in his own chamber orchestra, that at the end of their studies, Schidlof, Brainin, and Nissel joined into a string quartet with the 'cellist Martin Lovett, whose girlfriend (and later wife) was also a student of Rostal. At first Brainin and Schidlof alternated playing violin and viola; but it soon became clear to them, that the string quartet was their most artistically engrossing activity, and so they shifted their entire efforts into that direction, especially after the success of their first “unofficial” concert on July 13, 1947 in Dartington Hall in Totnes, Devonshire. Moreover, their desire to seriously play quartets and to continuously develop themselves, could only be realized, if there were a clear division of instrumental roles.

‘Eagle-Ears’

It is a testament to the musical and personal maturity of the 25-year-old Peter Schidlof, who by then was an excellent violinist, that in this situation he decided to take over the viola part—not because that “made possible the creation of the Amadeus Quartet,” but because this would enrich the musical world with “the best viola player ever.” His numerous performances of Mozart's *Sinfonia Concertante for Violin, Viola, and Orchestra*, which he of course played with his friend Norbert Brainin, are proof of this, as is the artistic quality and technical mastery with which he handled the viola inside the string quartet itself.

It is likewise a testament to the artistic and human disposition of the four players, that on Siegmund Nissel's suggestion they used the occasion of their first official concert on Jan. 10, 1948 in the Wigmore Hall in London, to rename themselves from the “Brainin Quartet” to the “Amadeus Quartet.” What could be a better documentation that this was not to be a “normal” quartet modeled on the idea of “a soloist with three accompanists,” but rather something quite special—a quartet in which *each* of the four players had to, and *knew how* to put forward their exceptional abilities toward the best possible success of the whole: a true musical *com-*

munity, which played better as a whole, than the sum of its individual players could have ever done?

Actually, there were important artistic arguments in favor of Schidlof's taking over the viola part. Even more than his colleagues, he possessed an excellent, unerring musical ear, which earned him the nickname "Eagle-Ears." This ability is a critical advantage for the person who plays one of the inner voices "in the middle of the quartet," who has to be able to immediately recognize and correct scarcely perceptible imperfections in the quartet's intonation. It is therefore hardly a surprise, that he was considered "irreplaceable."

In addition, with his warm, ever-beautifully singing viola tone, he played a critical role in the creation of the "Amadeus sound"—the uniquely characteristic tone-color of the Amadeus Quartet. The fact that Schidlof played on the famous 1701 "MacDonald Stradivarius," the best-preserved Stradivarius instrument in existence, had something to do with this accomplishment; but that was not the critical difference, since "Peter can even play on a cigar-box violin and draw out the same tone-quality for which he is so famous."

The Amadeus Quartet disbands

Schidlof died quite suddenly of a heart attack on Aug. 15, during a vacation in Sunderland, England. His unexpected death is tragic, since it leaves a gap which can never be filled: the Amadeus Quartet has ceased to exist. Indeed, this string quartet was unique: It was the summation of artistic devotion, of the creative interpretation of the great classical, Christian-humanist music, and of continual self-development.

It is not just the fact that the group was able to stay together for 40 years, but the fact that during that time, it continued to develop artistically, because all its members were committed to being "terribly honest" with each other in all their artistic discussions with each other, to permit "no compromises on fundamental questions," and to continue to weigh all arguments, until a solution had been found to the satisfaction of all four.

During these discussions, which were often difficult, sometimes bristling with polemics, yet always conducted on a high, intensely humorous and witty level, Peter Schidlof usually kept silent, with his characteristic discretion, but he was no less engaged than the others, in reaching a unanimous agreement which ever more closely approached artistic truth. An afternoon rehearsal for one of his last concerts, on May 8 at the Music Conservatory in Cologne, West Germany, was preceded by a very intense and fruitful discussion on Schubert's last string quartet Op. 161, and later, at the performance, one could clearly perceive that even though the four musicians had already performed this quartet in public over a hundred times, this particular performance radiated an unheard-of intensity, as did also Schubert's "Rosamunde" Quartet in A minor, which they played just before the intermission. Second only to their high level of musicality, their



Peter Schidlof

superior artistry, and their refreshingly modest humanity, it will doubtless be this faculty of the Amadeus Quartet which we will miss the most: its uncompromising honesty and faithfulness toward great classical art.

The remaining three members, Norbert Brainin, Siegmund Nissel, and Martin Lovett now plan to concentrate primarily on transmitting these faculties to their countless students and younger colleagues. The Amadeus Quartet had had grand plans: four concerts planned for this year, including a performance in the new Philharmonic Hall in Cologne; a concert tour in Taiwan, Korea, and Japan; a television program in Paris on the occasion of the group's 40th anniversary; and, of course, a great anniversary concert on Jan. 10, 1988 in London. None of this will now take place; nor will we ever hear the planned "complete cycle" of Beethoven's string quartets, which would have provided us with very interesting insights into the Amadeus Quartet's process of artistic development.

We now see the bitter revenge wrought by the refusal of the shortsighted, penny-pinching directors of the Deutsche Grammophon company to accede to the wishes of the Amadeus Quartet for a new complete Beethoven cycle, 25 years after their first such endeavor. Decca in London had finally agreed to undertake this historic recording project in record time, during the coming 12 months—a gigantic task, to which the Amadeus Quartet had assigned its highest priority. The project was begun only a few weeks ago, and two of the middle quartets, Op. 59, No. 3 and Op. 74, were recorded; they are expected to appear on the market later this year.

As difficult as it may be, we must now resign ourselves to the fact, that henceforth we will only be able to admire the unique quality of the Amadeus Quartet—a musical institution without parallel throughout the world—on recordings. Fortunately, there are many, many of these.

Singapore preempts the ayatollahs

by Linda de Hoyos

The Singapore government of Lee Kuan Yew announced Aug. 17 that four foreign Muslim imams are henceforth prohibited from entering Singapore. The four—from Indonesia, Malaysia, India, and South Africa—have not been in Singapore this year, according to government reports, but their banning is a warning to their in-country networks that the Lee government will not tolerate the importation of Muslim fundamentalism to its minority Muslim community. In the case of Indonesian Imam Abdul Rahim, the government cited his agitation among Malays and Muslims; he called them “stooges” of the government if they did not rise up against it.

The banning of the imams is but the latest action taken by the Lee government against fundamentalist incitement in the country. By far the most dramatic actions have been taken against the Catholic Theology of Liberation networks that have been nurtured in Singapore through Philippines Cardinal Jaime Sin. These networks, coordinated through the Asian Partnership for Human Development, an umbrella organization for politically active Catholic groups throughout the region, are most active in the Philippines and South Korea, where the Theology of Liberation priests and nuns have played leading roles in the anti-government insurgencies. As one source from Singapore put it, the Lee government does not intend to be next on the chopping block.

On June 21, the interior ministry detained 16 people who, the government charge sheet said, had infiltrated both Catholic and student organizations for the purpose of fomenting communist activity. Those detained included Vincent Cheng, a full-time Catholic lay worker, who will be held for two years. Also detained were a Harvard-trained businessman, a woman lawyer, a lecturer at the Singapore Polytechnic Institute, two leaders of the Singapore Polytechnic Students Union. Six of the 16 arrested were later released. On July 19, the government took action again, detaining for one year Chew Kheng Chuan, a graduate of Harvard who owns a typesetting business in Singapore; Tang Fong Har, a lawyer; and Cheng Suan Tse, president of the experimental drama group The Third Stage.

The network was led on the ground by Cheng, who is believed to be directed by one Tan Wah Piow, currently a student at Oxford University who is wanted in Singapore under the Internal Security Act. When Tan fled to London in 1976, Cheng stayed behind to build contacts with local com-

munists and leftist priests in the Philippines, reported the *Far Eastern Economic Review*.

In 1985, Cheng joined the Catholic Peace and Justice Commission, using the commission's publications, the *Dossier* and *Singapore Highlights*; as vehicles for anti-government propaganda. The network forged by Cheng and Tan succeeded in infiltrating Catholic student societies in the National University of Singapore and Singapore Polytechnic, the Geylang Catholic Welfare Center, the Student Christian Movement of Singapore, the Young Christian Workers' Movement, the Workers' Party, and formed their own front organization, The Third Stage.

The arrests sparked quick response from the international “human rights mafia,” including Amnesty International. More significantly, the Socialist International government of Australia formally expressed “concern” to Singapore over the arrests, demanding that the detainees be given a trial.

Soon after the arrests, Singapore's Catholic Archbishop Gregory Yong admitted that Cheng had been a lay worker, and said he had accepted government reassurances that its target was not the church per se, but subversive individuals. “The Church was not involved,” stated Catholic leader Michael Thio. “This is a vital issue which must be made known to Catholics and non-Catholics.” Vatican envoy Giovanni Aniello flew in from Bangkok for meetings with Singapore officials.

Soviet penetration of churches

At issue are not only conspiracies in Singapore launched under the cover of the city-state's 105,000 Catholics, but the penetration of church organizations throughout Asia for purposes of destabilization. The Australian chapter of the Catholic Commission for Peace and Justice was dissolved in May in face of growing concern from Catholics that it was becoming a vehicle for Soviet penetration of Asia. Australian Catholics cited the fact that the Commission had hosted an Australian speaking tour by Jose Maria Sison, founder of the Philippines Communist Party and former priest and current New People's Army (NPA) member Ed de la Torre. Publications subsidized by the Commission had also demanded that Australia break with the United States and expel the three U.S. bases from the country.

In addition to the Commission, the Catholic umbrella organization, the Asia Partnership for Human Development, funnels money into the leftist May First Movement in the Philippines and also the Task Force Detainees, an organization of priests and nuns that offers political and other protection to the NPA guerrillas. From Radio Veritas, under Cardinal Sin, Theology of Liberation propaganda is then disseminated throughout Asia in 13 different languages, including Chinese.

It is the interface of communists with the Catholic networks in particular that is now the focus of attention, not only by secular authorities but also by the Church itself.

Behind the nuclear referendum

First of a two-part report on the upcoming nuclear referendum, which could plunge a NATO country into darkness.

In the wake of the June elections which brought a parade of Greenies into Parliament, Italy faces a referendum in which voters will be asked to decide whether or not *any* nuclear power plants can be operated on Italian soil.

Even though the discussion on energy sources has recently become a topic for street-corner philosophers all over Italy, few among the experts, and none among the "ecologists," have stressed the extreme vulnerability of Italy's national energy situation. While all the more industrialized countries, after the petroleum crisis of 1973, have diversified their energy production, in an effort to minimize dependency on imported hydrocarbons, Italy has remained paralyzed.

Supply of Italy's energy needs from domestic production has remained at only 20% of the total demand. Compare Italy's figures with those of France, which in 1973 consumed 14 million tons of combustible fuel per year, from which it derived 40% of the country's electrical energy needs. Today, France consumes barely 400,000 tons, which make up only 2% of the electricity needs. This gives an idea of how short-sighted and anti-economical Italy's energy policy has been.

This foreign dependency becomes a real burden when one considers that Italy's most important suppliers are countries such as Libya, Iran, and the Soviet Union—three governments that violently hate nations which, like Italy, are part of the Atlantic alliance.

From the purely economic standpoint, even the malthusian bureau-

crats of the Bank of Italy have recognized that Italy, just to attain a 3% annual rate of growth, needs a significant increase in electrical energy production, at a lower price and with a drastically reduced dependency on foreign sources.

This problem had been resolved 25 years ago by the late Enrico Mattei, creator of the state sector industries, who initiated Europe's most ambitious nuclear program with the construction of the Latina plant to the south of Rome.

Nuclear-produced electrical energy is in fact technologically the safest and most economical solution. At present, the cost of each kilowatt hour produced by nuclear energy is 60 liras, exactly half the cost of oil-fueled plants (118 liras per kw). The national energy plan approved at the end of 1985, although scaled down, called for building a series of new plants which would have lowered dependency on hydrocarbons from 48% to only 17%, with an increase in nuclear production from 4% to 22%.

Moreover, for every 1,000 nuclear megawatts not installed, a further cost of 150 billion liras a year is incurred if these are replaced by coal burning plants, and 450 billion liras more if petroleum products are used.

Despite that, by exploiting the hysteria that followed the Chernobyl affair, the Greens have organized to stop construction of all power plants. They reject not only nuclear, but even large-scale hydroelectric plants.

Their opposition to nuclear and new technologies is not based on any-thing scientific; their counterpropo-

als to solve the energy problem are pure bluff—or in some cases, real disasters, if they were implemented. The Environment League (Lega Ambiente), heavily supported by the Italian Communist Party, has presented an alternative energy plan, consisting of notoriously unviable alternative energy sources, such as solar and wind power.

The League says that by 2000, wind power could provide Italy with 2,500 megawatts. This would mean installing 3-4 mw machines capable of capturing winds with blades no less than 100 meters (!) in diameter, which should cover a surface of 1,000 square kilometers (1/300 of the entire peninsula). Even disregarding the effect on the landscape and the infernal clatter produced by such machines, the cost of such clumsily produced energy would be prohibitive. Italy would need 22 trillion liras more to produce the same amount of energy, than with nuclear!

But what is most troubling about the "ecologists," is not their pretentious and incompetent rhetoric, but the violent means by which they seek to impose it. The peaceful, bucolic self-image of the Greens hides a violent and irrational nature, defined by a philosophy which views every technological change with horror. This ideology, like that of the peasant who opposes having railways pass through his land, unleashes Luddite, machine-smashing reactions.

Thus, after the dramatic protests at the plant in construction at Trino, at the end of July, the 70-ton cooling motor being shipped from the Ansaldo shipyards of Trieste in the far north-east of Italy, headed toward the Montalto di Castro nuclear plant, was set afire near Gubbio in the central Apennines.

To be continued.

International Intelligence

Poland's Jaruzelski hits 'repression' of Stalin era

Gen. Wojciech Jaruzelski, the Polish President, denounced "the repression and the deportations" of Polish civilians during World War II, in an article published in the Soviet Communist Party journal *Kommunist* at the end of August. The article's appearance in that location signifies high-level Soviet approval.

Jaruzelski touched on the 1939 invasion of Poland by Soviet troops and said that Moscow's actions were "contradictory to Poland's right to independence." He also recalled the 1938 purge by Stalin of the Central Committee of the Polish Communist Party, saying it was carried out "on groundless, provocative charges." He wrote that relations between Poland and the Soviet Union before and after the war "were marked with lack of trust and animosity which frequently turned into outright conflict. They gave birth to more than one tragedy and impressed their mark upon the conscience of both sides."

The article does not mention the Molotov-Ribbentrop Pact, under which Hitler and Stalin agreed to partition Poland in 1939, and the 1941 "Katyn massacre" of Polish Army officers, which Moscow has never acknowledged.

Thailand cracks down on KGB espionage

The Thai government has launched a crackdown against a network of foreigners charged with working for the Soviet KGB. Several members of the ring were arrested the week-end of Aug. 29.

Thai authorities believe that half of the 87 diplomats accredited to the Soviet embassy are KGB agents.

Arrested were Thomas Benes, a West German citizen born in Czechoslovakia, reportedly a KGB officer, and the managers of Aeroflot and the Soviet shipping company Thasos, whose visas to live in Thailand will not be renewed. Benes reportedly heads

a tour agency that sends Thai women to West Germany for prostitution.

A British national, Geoffrey Higginson, was also arrested and deported from Bangkok to Malaysia.

A commentary in Bangkok's *The Nation*, by Kavi Chong Kittavorn, indicated that this crackdown by Thai security is intended to torpedo improvements in Thai-Soviet relations, and to scuttle Prime Minister Prem's hopes to visit Moscow.

Malaysia's leader slams anthropologists

Malaysian Prime Minister Mahathir Bin Mohamed has accused European anthropologists of encouraging Malaysian tribesmen to continue their primitive lifestyles in the jungles, and to reject his government's development programs.

In an interview with the *Indonesian Observer* published Aug. 22, Dr. Mahathir said that the anthropologists are more interested in examining the locals as if they were "living in a zoo," than they are in seeing them progress. Though he did not single out a specific group, the *New Strait Times* in Malaysia said he referred to European environmentalists who are inciting Penan tribesmen in Savawak province against the government's development efforts.

Prime Minister Mahathir incurred the wrath of some in the West last year for executing drug smugglers.

Libya retakes Chad's Aouzou Strip

Muammar Qaddafi has celebrated the 18th anniversary of his "revolutionary" takeover of Libya, by retaking the Aouzou Strip in Chad on Sept. 1. Libya had lost Aouzou to the armed forces of Chadian President Hissène Habré in August. The Libyans achieved their victory through a massive aerial bombardment, which Chadian forces could not parry.

The French defense ministry officially

downplayed Libya's victory as only "partial," since Chadian forces still control the hills around the city. This will hold only if Chad receives enough logistical support to relaunch the counteroffensive immediately. Some media reports claim the United States is about to deliver anti-tank TOW and LAW missiles to Chad. The TOW, which requires three weeks of training would come with U.S. military advisers.

Comment in France was bitter, after President François Mitterrand failed to back up the Chadians. "What was expected happened," wrote correspondent Annie Kriegel in *Le Figaro*. "By announcing in advance that she would not be involved in the Chadian offensive to retake control of Aouzou, France has allowed Qaddafi to give himself a nice anniversary present."

Kriegel called France's behavior toward Chad "arrogant," treating the country as a former colony and client state, instead of as an ally.

Panama's President rips plot against the nation

Panamanian President Eric Delvalle delivered his State of the Nation address on Sept. 1, and blasted the "anti-patriotic" forces who have colluded with enemies abroad to "maliciously attack the national sovereignty" of Panama.

"The country has been living for several weeks through a political crisis," he said, "that has its origins in the untrammelled ambitions of anti-patriotic elements who tried to seize power by breaking and violating constitutional order, and who, in their commitment to sedition, based their stance on the absurd and contradictory statements of a retired colonel [Roberto Díaz Herrera, a follower of gnostic guru Sathi Sai Baba, who sparked the current upheavals through his wild attacks on Gen. Manuel Noriega, chief of the Panamanian Defense Forces]. . . ."

"Lacking nationalist sentiments, these immature individuals, in complicity with Panama's traditional enemies in the United States, have taken recourse to the most vile actions to achieve their ignoble aims. Un-

fortunately, that campaign induced the North American Senate to make pronouncements which constitute direct interference in the internal affairs of Panama, and a malicious attack against our sovereignty, which has been rejected with vigor by our government, people, and the international community.”

Delvalle outlined an economic program which will attempt to resume the 3.5% rate of economic growth interrupted by strikes and other disturbances since June. He committed Panama to building a new rail link, a dam, a superhighway from Panama City to Arraijn, and an oil exploration project in Darien. Social security protection will be extended and construction of housing for the lower classes will be accelerated.

The speech was the product of a meeting with General Noriega and other national leaders beforehand, and represents the consensus of their views.

LaRouche replies to The Economist

The Aug. 28-Sept. 4 edition of *The Economist* magazine of London published a reply from Lyndon LaRouche to a slanderous article about him which had appeared in the organ of the City of London bankers the week of July 11. The letter reads:

“During 1982, NBC-TV manufactured the report that I had accused the Queen of ‘pushing drugs.’ In the same manner, you have adopted the false allegation that I accuse the IMF of having instigated the AIDS infection.

“Since I chose, reluctantly, to enter politics a dozen years ago, my consistent thesis has been that the combination of floating exchange rates with the drift towards a ‘neo-Malthusian’ post-industrial society is undermining Western civilization. We are nearing a choice between war and a submission to Russian hegemony that will recall the appeasement of Hitler at Munich in 1938.

“My political platform is threefold: first, a return to the gold standard; second, encouragement of large-scale research projects to provide improved technologies for private investment; third, the replacement

of ‘crisis management’ with war-avoidance derived from economic strength.”

Mother Russia comes to Canada

A delegation of the Soviet Rodina Society, accompanied by the Soviet culture minister, traveled to Verigin, Saskatchewan, Canada in August, to honor the 30,000-man Dukhobor community of Canada, and present them with a larger-than-life statue of Leo Tolstoy. The Rodina Society (*Rodina* means “motherland”) is a principal promoter of Russian nationalism.

The Dukhobors are a group of Russian Old Believers who emigrated to Canada in 1899, through the sponsorship of Tolstoy and the Quakers. The Dukhobors, which have participated in low-level terrorism over the years to protest being forced to educate their children, still revere Tolstoy as their “grandfather.”

The Rodina Society delegation was accompanied by Count Ilya Tolstoy, the great-grandson of the ideologue of passive resistance, who is a professor at the University of Moscow faculty of journalism.

Israel begins treason trial against Vannunu

The trial of Mordechai Vannunu began on Aug. 31 in Israel in closed session, amid extraordinary secrecy. Vannunu, a former engineer and intelligence operative, had provided details on Israel’s secret nuclear capability last year in Britain. Shortly after these disclosures, Vannunu was kidnapped by Israeli agents while leaving on a trip to the Vatican to discuss Mossad penetration and deployment of Christian fundamentalist groups.

Vannunu has meanwhile been proposed for the Nobel Peace Prize. A source at the Nobel Institute in Oslo, Norway, told Reuter, “Vannunu has been nominated . . . but I cannot tell you who put his name forward.”

Briefly

● **FRANCE** will have a permanent channel of communications with the U.S. National Security Council, as a result of the Aug. 4 visit to Paris by NSC adviser Frank Carlucci, the newspaper *Le Point* reported on Aug. 24. Carlucci met with Foreign Minister Jean-Bernard Raimond and other top officials. He reportedly gave the French “important information on rivalries and faction fights within the Iranian government.”

● **THE PORTUGUESE** Herri Batasuna party, “legal” front for the terrorist ETA group, is offering 25 grams of hashish as the prize in a lottery. The lottery tickets are intended to raise bail for a man accused of murdering two people by burning them with an incendiary bomb, which he tossed into a Socialist Party meeting in the Basque region.

● **DOCTORS** and workers at the José T. Borda psychiatric hospital in Buenos Aires, Argentina went on strike on Aug. 29, to protest the admission of an AIDS patient. Some 1,500 patients are treated by only four doctors at the hospital, UPI reports.

● **POPE JOHN PAUL II** will visit Peru May 14-16, 1988, Peru’s cardinal Juan Landazuri Ricketts announced.

● **NEW ZEALAND’S** Prime Minister David Lange, recently re-elected, has canceled a visit to the United States, where he had been expected to address the U.N. General Assembly session on disarmament. During Lange’s last term, New Zealand banned nuclear weapons from its territory.

● **IRANIAN SPEAKER** of the Parliament, Ali Akhbar Hashemi Rafsanjani, will visit Moscow in October, according to Teheran Radio. The announcement came soon after Rafsanjani met in Teheran with Soviet Ambassador Vil Bolidirev.

State Department works for Moscow in Gulf crisis

by Criton Zoakos

As of 12:15 p.m. Sept. 3, 1987, the State Department has been committing treason against the United States, by explicitly aiding and abetting Iran, a state which has formally declared war on the United States. State Department officials publicly associated with "aiding and abetting" Iran are: Charles Redman, Michael Armacost, Abraham Sofaer, Phyllis Oakley, and Ed Djerejian. Will Secretary Shultz be able to plausibly deny that he knows what his underlings are doing?

Here are some of the facts:

As of Sept. 3, after five full days of Iranian terrorist rampages, which damaged or destroyed over 20 peaceful commercial ships belonging to most of the world's seafaring nations, the U.S. State Department is refusing to admit that Iran is completely outside international law, thus attempting to run cover for Ayatollah Khomeini's terrorism. So far, all of the rabid Pasdarans' (Revolutionary Guards') attacks occurred against ships of Italian, Japanese, Spanish, Greek, Cypriot, Yugoslav, Bahraini and Saudi nationality, all of them non-belligerents, and all of them sailing either in international waters, or inside the territorial waters of non-belligerent nations.

Authoritative legal opinion all over the world, has identified the Iranian naval actions as falling strictly within the legal characterization of piracy. By contrast, all the Iraqi attacks so far have been against Iranian targets, and all inside Iranian territorial waters designated and recognized as war zones.

Despite all this, the State Department, by midday Sept. 3, at the insistence of Soviet Deputy Foreign Minister Vladimir Petrovsky, dropped the earlier U.S. demand that Iran respond to the U.N. cease-fire resolution by Sept. 4. As of 12:15 p.m. on Sept. 3, according to an announcement by Department spokesman Charles Redman, the U.S.A. dropped

any deadline for when the Iranian response should be given to the United Nations' binding resolution 598 calling for a ceasefire in the Gulf War. Now the State Department has fully adopted the Soviet suggestion that U.N. General Secretary Javier Pérez de Cuéllar first visit Teheran some time in Sept. 14-17, or thereabouts, and no discussion of sanctions be allowed until perhaps after his eventual return from Teheran.

The astounding scandal is that the U.S. State Department, without any explanation whatsoever, completely abandoned its own policy and, as of Sept. 4, adopted the policy of the Soviet Foreign Ministry.

Accustomed as we are to State Department treason, we still are obliged to classify this latest act of perfidy, which was performed by Charles Redman, at the instigation of State Department Counsel Judge Abraham Sofaer, and with the toleration of Secretary Shultz, as unprecedented *treason in time of war*, in the sense of aiding and abetting an enemy of the United States in time of war—as both Ayatollah Khomeini, and Iranian President Khamenei have formally declared war on the United States.

This act of treason was further compounded with a further decision of the State Department, announced the following day, Sept. 4: "As part of the continuing U.S.-Soviet dialogue on regional issues, Senior Deputy Assistant Secretary of State for Near Eastern Affairs Ed Djerejian, will meet in Geneva, Sept. 10 and 11, with Soviet MFA [Ministry of Foreign Affairs], Middle East Department Chief Yuri Alexeyev, to discuss Afghanistan and the situation in the Gulf War."

This entire pattern of State Department moves was capped when U.S. Ambassador to the United Nations Vernon Walters announced that he is confident that if Iran agrees to a temporary ceasefire during the scheduled visit of General

Secretary Pérez de Cuéllar, then the possibility might arise for the U.S. naval task force in the Gulf to be removed. Vernon Walter's suggestion, incredibly, conforms with the Soviet leadership's demand that "all alien naval forces" withdraw from the Gulf before any settlement of the war can be negotiated in the Gulf.

The strategic stakes

Such a withdrawal of the U.S. naval force would leave the Soviet Union, the major land military power in that region, as the sole arbiter of the Iran-Iraq war, cause a sudden precipitous collapse of all pro-U.S. and pro-Western forces and factions throughout the entire Arab world—an imminent overthrow of the Saudi regime, a collapse of the Egyptian government—in short, the complete and permanent destruction of all Western influence in the Middle East and Near East. This conclusion is not speculative: It is a generally recognized fact that a sudden collapse of the American military commitment in the Gulf, under whatever pretext, will have a more devastating effect on the U.S. position in that region and the world, than the fall of Saigon had in May of 1975. And yet, incredibly, this appears to be exactly what the Department of State is aiming for.

State Department treason in this matter does not merely consist in simply and without explanation dropping, overnight, the earlier positions of the United States government, in simply abandoning the application of routine legal criteria on Iranian piracy, and as simply and suddenly adopting and enthusiastically pursuing the opposite Soviet policy with respect to the Gulf. This sort of activity is, of course, treasonous in a broad sense. However, in aiding and abetting Iran, those State Department officials who are pursuing a policy of extending time to Iran are committing treason in the technical sense of the law, given that Iran has formally declared war on the United States.

As we have repeatedly pointed out, Iranian leaders, including Ayatollah Khomeini, President Khamenei, and Prime Minister Moussavi, have all declared that they have placed their nation at war with the United States. For over 30 days since these formal declarations of war, the United States has reserved its right to respond whenever it deemed appropriate. Up until the early afternoon of Thursday, Sept. 3, the U.S. State Department was piously admonishing the Iranian mullahs to please abide by United Nations Resolution 598, which calls for an immediate ceasefire in the Gulf War, or else, the State Department, in the name of peace, law, freedom of navigation and all that is decent and so forth, would be obliged, come Friday, Sept. 4, to press forward in the United Nations Security Council for sanctions against Iran, perhaps even including an arms embargo.

Suddenly, after four days of berserk Iranian attacks, the State Department announced that it would wait indefinitely for the Iranians to respond to the United Nations, in fact acting on behalf of Soviet interests, directly, explicitly, and

unabashedly. For George Shultz, Abraham Sofaer, Richard Murphy, and Charles Redman to deny this straightforward charge, they must reverse their present policy course.

The State Department is operating on behalf of an effort to impose a "crisis management" solution to the Gulf situation, in the context of a superpower summit. The effort is based on a gross misestimation of what the Russians are up to. It is known that political circles associated with Armand Hammer, his designated successor Dwayne Andreas, their political and business partners in the Hamburg Orient Institute circles who control West German Foreign Minister Hans-Dietrich Genscher's Iranian and East-West policy (Count Baudissen, for instance), fully accept that the present crisis in the Gulf will continue worsening, but not in the direction of a superpower confrontation or breakdown of relations, but rather in the direction of a joint superpower "crisis management" intervention in the Gulf.

Such a settlement would be worked out in the context of the "regional issues" agenda already cluttering the preparations for another Reagan-Gorbachov summit. That summit is supposed to not only produce an agreement eliminating all American medium-range nuclear weapons in Europe, thus making Western Europe indefensible, but also a series of "regional agreements," which, in essence, would codify a withdrawal of the United States from all parts of the world except the American continent—more or less in accordance with a proposal made in April 1983 by then Soviet President Yuri Andropov.

It is not accidental that the Sept. 10-11 U.S.-Soviet discussions on the "regional matters" of Afghanistan and the Gulf War between Djerejian and Alexeyev, will be held in Geneva, the residence of the watchful Soviet Arms control negotiator Deputy Foreign Minister Yuli Vorontsov. Vorontsov—in fact Count Vorontsov-Dashkov, according to the older designation of the Russian *nomenklatura*—is the man who not only presides over the U.S.-Soviet arms control talks, but also handles the Soviet policy toward Iran and Soviet policy in Afghanistan, two places which he frequently takes time off from his Geneva duties to visit.

Vorontsov, therefore, will be supervising the work of Djerejian and Alexeyev, and properly so. The entire package of INF (Intermediate Nuclear Forces) negotiations and "regional matters," from the standpoint of the Russian masterplan, aims at the same objective: the summary removal of the United States from Europe, the Middle East, Near East, and Far East. If an INF agreement is eventually signed together with a "resolution" of the Gulf crisis along the lines suggested by Vernon Walters on Sept. 4, then, by the time of the projected summit, the Russians will not only have a defenseless Europe under their military threat, they will also control Europe's energy lifeline in the Middle East. If not reversed, the State Department's present policy will hand over to Moscow the industrial and raw materials resources it need for a final war mobilization against the United States.

Seek dismissal for grand jury abuse

by Nancy Spannaus

Attorneys for the defendants in the *United States v. The LaRouche Campaign, et al.* case are not taking "no" for an answer on the issue of the government's abuse of the grand jury system. Judge Robert Keeton rejected their motion for dismissal on this ground in July. On Aug. 24, attorneys Lisa Kemler and William Moffitt filed a brief with the U. S. Court of Appeals for the First Circuit, urging dismissal of the indictment against the 13 individuals and 5 associations, who are charged with "credit card fraud" and "conspiracy to obstruct justice."

The question of grand jury abuse is one of the few issues which can be appealed to a higher court prior to the pending trial. Should the appeal, called an interlocutory appeal, be successful, the Sept. 21 trial will not occur.

The defense is also seeking to suppress evidence seized during the government's paramilitary raid on offices of LaRouche associates. Elimination of some of the seized items would likely result in the throwing out of some of the indictments.

The following excerpts from the brief summarize the issues involved in the appeal:

Statement of facts

In January-February 1987, the accused filed several motions seeking, *inter alia*, dismissal of the indictments, for abuse of the grand jury by the Government. These motions documented the pattern of abusive and improper behavior by the Government . . . including off-the-record colloquies between prosecutor and grand jurors, abusive conduct directed toward an immunized grand jury witness who is now a defendant, intentional disclosure of grand jury material to unauthorized persons, and selective dissemination of grand jury material to unauthorized persons, and selective dissemination of grand jury material to a successor grand jury . . . utilization of the grand jury which the government contends was the object of the conspiracy to obstruct justice to return an indictment for conspiracy to obstruct justice; use of the grand jury to further an investigation after the return of an

indictment for conspiracy to obstruct justice; . . . and government dissemination of grand jury material to the national news media and other unauthorized persons. . . .

Argument

The long history of the grand jury evidences a gradual emergence of its role as a vehicle to protect the rights of the citizenry from an overreaching prosecutor. Its companion function as an investigative body and the resulting role that the prosecutor plays in the conduct of its affairs cannot be permitted by this Court to overcome the grand jury's more compelling Constitutional function of protecting the rights of the innocent. It is indeed no historic accident that the first clause of the Fifth Amendment reads: "No person shall be held to answer for a capital, or otherwise infamous crime, unless on a presentment or indictment of a grand jury. . . ." This clause precedes all of the important protections provided to a criminal defendant including the right to due process, the privilege against self-incrimination, and the right to not be held twice in jeopardy. Just as the positioning of the First Amendment in the Bill of Rights has frequently been cited by commentators as an indication of its importance, a strong case can be made that the history of the grand jury and the value placed upon it by the colonial founders is consistent with its prominence in the Fifth Amendment. We call upon the Court here to guard the important rights at stake.

(In response to the government's argument that an interlocutory appeal should not be permitted, the motion continues:)

Moreover, the government misses the crux of the defendants' position. The defendants have not alleged mere technical violations of Rule 6 (e) [the rule protecting grand jury secrecy—ed.] as grounds for dismissal. Rather, the defendants claim that the substantial publicity polluted the grand jury to such an extent that it must have effected the charging decision, that the use of the grand jury victimized by the alleged obstruction of justice tainted the charging decision, and that the use of hearsay testimony, as well as the failure to present exculpatory evidence impinged on the grand jury's independence and impartiality in making its charging decision.

Issues raised by the accused motions

The issues raised by the appellants' motions include violations of Rule 6 of the Federal Rules of Criminal Procedure. The appellants alleged that the government, through its agents, used pre-indictment publicity to pollute the grand juries' charging decision. Simply stated, the government, through the intentional and skillful use of the press, was able to present its position regarding the conduct of the accused to the grand juries in a prohibited manner. Among the means that the government utilized to manipulate the press were public filings which included grand jury matters in contempt and appellate proceedings.

Soviets flustered over Hitler-Stalin queries

High-level Soviet officials who led a delegation of 240 Russians to the week-long symposium at the Chautauqua, New York retreat at the end of August failed the *glasnost* (candor) test when confronted with a demand that they repudiate the Hitler-Stalin Pact during their visit here.

To the surprise of thousands of mostly liberal Americans who jammed into Chautauqua to participate in the "U.S.-Soviet dialogue," the Soviets defended the pact that Stalin signed with Hitler on Aug. 23, 1939—their agreement to divide up the sovereign territory lying between them for invasion and subjugation. Thereafter, the Soviets supplied tons of grain and other vital supplies to the Nazi war effort for over two years, until the Nazis launched "Operation Barbarossa" to the East.

Just as the Soviet delegation was attempting to sell its new deception policy of *glasnost*, at Chautauqua, mass demonstrations broke out in the capitals of all three Baltic states this Aug. 23, the 48th anniversary of the Hitler-Stalin treaty.

A couple of days later, a delegation of Americans sympathetic to the Baltic demonstrators showed up at Chautauqua to leaflet copies of a statement drafted by U.S. Democratic presidential candidate Lyndon LaRouche, entitled, "Moscow Says: Hitler-Stalin Pact Still Lawful." LaRouche's point of departure was a recent Soviet news service (TASS) release defending the Hitler-Stalin treaty.

The presence of the leafleters, however, created pandemonium at the sleepy retreat, where organizers intended the result of the conference to be nothing but "good vibes."

Top-level Soviets appearing at a human rights seminar at the conference with hundreds present, were asked whether they would repudiate TASS's defense of the treaty. The Soviets on the panel included Alexander Sukharev, minister of justice and secretary-general of the association of Soviet lawyers, and Larisa Navhinskaya, senior researcher at the Institute for Crime Prevention.

First trying to ignore the question, Navhinskaya then growled, "There was no pact. You have misunderstood. There was something between Hitler and Roosevelt, and Stalin got caught in the middle."

Outside the seminar, a leafleter was passing the LaRouche statement to 15 Soviet officials, accompanied by about 30 translators and aides. He asked one, Boris Shukov, a city planner from Moscow, whether he would renounce the Pact. The leafletting and the question created such a ruckus that people inside the seminar began pouring out to find out what was going on.

Shukov pretended he didn't understand the question. When asked again, he became agitated and tried to slip away. However, he was prevented by the crowd that had begun to pack in around him.

An American translator pleaded, "He is not a political official. He is only a city planner." But he was too late: Shukov blurted out, "Why, we denounced this long ago."

"Are you saying that it is official Soviet policy that the Hitler-Stalin Pact has been renounced?" The American translator panicked and yelled at Shukov, "Just say no!"

Moments later, Col. Gen. Nikolai Chervov of the Soviet Defense Min-

istry, happened on the scene. Although he had been speaking English while walking up, when asked about the Hitler-Stalin treaty, he suddenly reverted to Russian. Pressed, however, he said, "I am not authorized by the government to answer that question."

"Sure, you can answer it. You're in the United States now. We want to know whether the *glasnost* policy is real or not."

At that point, an American organizer of the conference forced himself in between Chervov and the leafleter, yelling, "I'm going to get you arrested. You're destroying the spirit of the conference."

By this time, Soviet officials were hiding their name tags and slipping away.

Treaty defended in Washington, too

The defense of the Hitler-Stalin Pact continued when the Soviet delegation from the Chautauqua meeting stopped over in Washington, D.C.

This reporter confronted Deputy Foreign Affairs Secretary Vladimir Petrovsky with the question before the Washington press corps Sept. 1. Members of the Soviet delegation present began mumbling to one another when they heard the question.

"We have a different understanding of the historical circumstances than you," Petrovsky snorted, and would say no more. "Will the demonstrations in the Baltic states be allowed to continue?" he was asked. "We have certain rules," he snapped. His *glasnost* had clearly worn very thin.

Petrovsky was among those leading Soviet officials named in a recent Italian news account as a descendant of the 19th-century Russian czarist nobility. When I asked about this, he denied it.

Russian influence in the Iowa granary

Kathleen Klenetsky tells a shocking story of the nest of pro-Soviet operatives in America's agricultural heartland.

On Aug. 28, Iowa Gov. Terry Branstad announced that his state had just formalized an agreement with the Soviet leadership to make Iowa the "sister state" of Stavropol Krai, an important grain-growing region in southwestern Russia.

Branstad's announcement came on the final day of an East-West trade conference sponsored by the governor's office. The idea for the meeting came out of a trip to Moscow which the governor made last year, where he met with Mikhail Gorbachov and other top Soviet leaders to discuss forging closer ties between Iowa and Mother Russia. An allegedly conservative Republican who used to hold a leadership post in Bill Buckley's Young Americans for Freedom, Branstad had been briefed prior to the trip by representatives of Armand Hammer and Hammer's designated successor as Moscow's favorite "capitalist," agribusiness magnate Dwayne Andreas.

The trade conference drew more than 200 Iowa businessmen and a raft of Soviets, including Gorbachov protégé Viktor Akulinin, second-in-command of Stavropol Krai, and deputy trade representative Albert Melnikov. The agenda focused on how to get rid of current U.S. trade restrictions, so as to permit Iowa to significantly increase the goods it provides to the Soviet war machine. Key speakers included Branstad, who gushed about how Gorbachov is "committed to improving relations and increasing trade," and Iowa banker John Chrystal, who told his audience that they were losing out on billions of dollars worth of business deals because of Washington's "unfair" restrictions on East-West commerce.

Akulinin toured several Iowa companies, including a Quaker Oats processing plant, where he dangled the prospect of joint ventures. According to a spokesman for the governor, Branstad intends to try to finalize such agreements next December, when he will make a pilgrimage to Moscow.

Iowa, Russia, and the grain cartel

The sister-state relationship and the trade conference are just two of several recent developments which point to a shocking truth about the state: Iowa—whose presidential primary caucuses next January will greatly influence the outcome of the 1988 elections—is dominated, politically and economically, by a closely interlocked network of individuals and institutions closely tied to Moscow. The average Iowa

citizen, the farmer and manufacturing worker who has been devastated by the collapse of the state's agricultural and industrial sector, is being told by this treacherous gang that he must look to the Soviet Union for his economic and political future.

Exemplary is the case of John Chrystal, arguably the most important, and certainly the most public, link in the Soviet-Iowa connection. Chrystal inherited an intimate relationship with the Soviet leadership from his uncle, Roswell Garst, the Coon Rapids farmer who hosted Nikita Khrushchov during the Soviet general secretary's celebrated visit to Iowa in 1959. (More on Garst below.) Chrystal made his first trip to Russia in 1960, and has been back numerous times since, most recently in June, when he discussed the U. S. presidential elections, among other topics, with Gorbachov.

Chrystal took over the Garst family bank in 1960, and parlayed that into a controlling interest over several of the state's key banking institutions. He currently serves as chairman and chief executive officer of Bankers Trust Co. in Des Moines, and has been state banking superintendent and president of the Iowa Bankers Association. Chrystal wields significant influence over the state Democratic Party. He is close to former Democratic National Committee chairman Charles Manatt, an Iowa native who has been buying up bankrupt farms in his home state, and to Arthur Davis, who chaired the state Democratic Party until early this year. The Davis-Chrystal relationship goes way back: Davis used to serve as Roswell Garst's attorney.

(Not unexpectedly, Chrystal's minions have tried to destroy the presidential campaign of Lyndon LaRouche: Organizers for LaRouche's effort in Iowa have come under police harassment and threats of prosecution by the state attorney-general, a protégé of Davis. Davis recently boasted that he singlehandedly sabotaged the 1986 Senate campaign of Juan Cortez, a state labor leader who ran as a LaRouche Democrat.)

Chrystal flaunts his pro-Soviet affections: He used to have a poster of Lenin hanging on his office wall, and insists that if the United States would give up its provocations and allow unfettered trade between East and West, peace would prevail.

How did Iowa end up with such leaders? The single most

important culprit is the international grain cartel, one of the most important elements in the conglomeration of Eastern and Western oligarchical interests known as "The Trust." The Soviet decision to make Stavropol, rather than one of the other four or five possibilities, Iowa's sister state, is an ironic indication of the grain cartel's ubiquitous presence. Not only is it the area from which Mikhail Gorbachov, along with his patron, the late Yuri Andropov, hails. But, as a forthcoming *EIR* book on the roots of Russia's current regime documents, Stavropol was developed by the Venetian oligarchy, in conjunction with the port city of Odessa, as a major outpost of Venice's worldwide grain trade, and thus emerged as the home base for the Russian wing of The Trust.

Iowa (along with Minnesota, another hotbed of pro-Soviet operations) has historically been dominated by this Venetian-Swiss-based grain cartel: Cargill has been a major force in the state's economy for decades, as have Quaker Oats and other cartel organizations. More recently, Armand Hammer, the godfather of The Trust, has moved into the state in a big way, with Occidental Petroleum's purchase of Iowa Beef Processors several years ago. Archer-Daniels-Midland, the huge conglomerate run by former Cargill vice president Dwayne Andreas, also has extensive operations in Iowa.

By virtue of its economic muscle, the cartel wields near-total control over the state's political life. Its tremendous influence can be seen in Iowa's ultra-liberal congressional delegation. Senator Harkin, a Democrat, and Rep. Jim Leach, a Republican, are among the most vicious opponents of the U.S. military in general, and of such key defense systems as the SDI and MX missile in particular. Even the state's "conservatives" fall into line, as exemplified by Sen. Charles Grassley, a staunch proponent of defense cuts.

The cartel exerts its influence through both political parties, the media, the state's educational and religious institutions, and farm organizations. What follows is just a small sampling of some of the more important individuals and entities involved:

- **The Iowa Peace Institute:** This recently established organization serves as the principal coordinator of the Iowa-Soviet link. It has the full backing of Governor Branstad, as well as the state's Republican and Democratic party leadership. The state legislature recently appropriated a hefty sum for the institute's operating expenses, and corporate donors, including Andreas's ADM and the Maytag Corporation, just kicked in \$1 million.

The institute's director is Robert Ray, Iowa's Republican governor for 16 years; Robert Anderson, Iowa's former Democratic lieutenant-governor, serves as co-director. The board of directors includes such influentials as John Chrystal; Richard Stanley, head of the Stanley Foundation; Mary Louise Smith, former co-chair of the Republican National Committee; Thomas Urban, chairman of the board of Pioneer Hi-Bred International, a seed company founded by Henry Wal-

lace (see below); James Gannon, editor of Iowa's major newspaper, the *Des Moines Register*, and a recent, enthusiastic visitor to the Soviet Union; state senators Bob Carr and Jean Lloyd-Jones; Thurman Gaskill, past president of the National Cornrowers Association; and Douglas Gross, executive assistant to Governor Branstad.

The institute has mapped out an ambitious program to spread pro-Soviet propaganda throughout the state, including developing a "peace" curriculum for schools and colleges, and "public interest" forums on such issues as "arms-control verification." The institute plans to hold a major presidential campaign event in October, featuring Harvard Negotiation Project director Roger Fisher, who will lecture the candidates on the art of crisis-management. The institute has already sponsored several Soviet guest speakers.

The group is also co-sponsoring a World Agriculture Exposition in Iowa in September 1988. The event is expected to draw over 200,000 attendees from the United States, international organizations (the World Bank and International Monetary Fund), Third World countries, and a hefty Russian contingent. Its purpose will be expanding East-West trade. Advance publicity says the expo's purpose is "to promote international understanding, fellowship, and peace, through hospitality, sharing of cultural heritage and focus on the role of international development and agriculture in promoting peace."

- **The Iowa Sister City Commission:** The group responsible for Iowa's new arrangement with Stavropol, the commission is ostensibly headed by Iowa stockbroker Sarah Lande, but the real power behind it is former Governor Robert Ray and John Chrystal. Chrystal was instrumental in finalizing the sister-state relationship when he met with Gorbachov in June. Lande and other members of the commission plan to travel to the Soviet Union later this year, as part of an extensive "citizens exchange program" worked out by Jimmy Carter and Gorbachov last year. The program is being carried out under the aegis of the Friendship Force, a "one-worldist" organization headed by Bob Ray. In addition to Lande and Ray, the Iowa delegation will include Governor Branstad and state senator Jean Lloyd-Jones.

- **Stanley Foundation:** Based in Muscatine, the foundation was established in the 1950s by Iowa businessman C. Maxwell Stanley. Stanley was extremely active in the World Federalist Movement in the 1940s, and served as head of the organization for a time. He set up the Stanley Foundation in order to further the world federalist vision of a one-world empire, with special emphasis on U.S.-Soviet relations. The foundation sponsors frequent off-the-record foreign policy conferences which are focused on increasing the power of the United Nations, and bringing about a convergence between the United States and Soviet Union. The foundation also holds an annual "Strategy for Peace" conference in October. Last year's was devoted almost entirely to exploring prospects for U.S.-Soviet "economic interdependence." The

current head of the foundation, Richard Stanley, sits on the board of the Iowa Peace Institute, and collaborates frequently with John Chrystal.

- **Business for Peace:** This organization, which is just getting off the ground, is another brainchild of John Chrystal. Organized by Des Moines businessman Fred Weitz, the group will bring together Iowa companies to promote unilateral disarmament (the price of doing business with the Soviet Union).

- **Prairie Fire:** This and related “grassroots” farm or-

Remember Nikita Khrushchov's descent upon that farm in Coon Rapids, Iowa, in 1959? That was a high point toward achieving what is now a political stranglehold by pro-Soviet operatives of the grain cartel.

ganizations are part of the cartel's attempts to channel farmers angry at the destruction of Iowa's agricultural sector, into such populist causes as taking money from the defense budget to pay for farm programs, or protesting “neo-Nazism.” They are largely run by an unholy alliance between such groups as the Benedictines and the Anti-Defamation League. Two of the most important figures in the operation include the Institute for Policy Studies-linked Dan Levitas of Prairie Fire, an ADL functionary, and Merle Hansen of the North American Farm Alliance. Hansen, Jesse Jackson's campaign farm adviser in 1984, has frequently met with Soviet officials, and traveled to Nicaragua several years ago to demonstrate solidarity with the Sandinista regime.

The roots of Iowa's pro-Sovietism

As Iowa Peace Institute's Bob Anderson recently noted, Iowa “is somewhat unique, in that our relationship with the Soviet Union goes back decades.” Anderson was referring to two figures who played key roles in establishing the Russia-Iowa link: Henry Wallace and Roswell Garst. Wallace, FDR's agriculture secretary, came from an important Iowa agriculture family, with close ties to the grain cartel. During the 1920s, Wallace became a devotee of Nikolai Roerich, a Russian mystic who founded the Russian branch of the Theosophical Society in 1908. Roerich emigrated to the West after the Russian Revolution, but maintained close ties with Russian “Old Believer” networks, and returned to the Motherland several times before his death.

Wallace shared many of Roerich's mystical, theosophical

beliefs, which included a primitive “blood and soil” cultism characteristic of Russian culture. Wallace used his Cabinet position to promote Roerich's notions, frequently calling upon Americans to reject what he called “pagan nationalism,” and urging a new, all-encompassing world religion that would usher in a “golden age.” Wallace wrote a series of letters to Roerich, whom he addressed as “Guru.” The letters contained allusions to “Dark Ones,” “Steadfast Ones,” and “dugpas,” and beseeched the blessings of the “Great Ones.”

Wallace's mysticism soon turned to idolization of the Russian “experiment.” His pro-Sovietism became so embarrassing, that FDR was forced to dump him as vice president in 1944, in favor of Harry Truman. Wallace continued as commerce secretary, but clashed continuously with Truman, after the latter became President, over policy toward Moscow. The final break came when Wallace delivered a speech to a pro-Russian crowd in New York, in which he castigated the U.S. “hard line” toward Moscow, defended Russia's subjugation of Eastern Europe, and called for unfettered assistance to the Soviet economy.

In 1948, Wallace agreed to become the presidential candidate of the Progressive Party, and received the endorsement of the American Communist Party. He used his campaign to assail the Truman Doctrine and the Marshall Plan; to propagandize for the cause of world federalism; and to blame the February 1948 Moscow-backed coup in Czechoslovakia on Truman's “intransigence” against the Soviet Union.

During the 1950s, Wallace's pro-Soviet campaign was taken up by his longtime friend and business associate, Roswell Garst. Garst was an Iowa farmer who made a bundle by selling the hybrid seed corn which Wallace had developed in the 1920s. In 1946 he began preaching the virtues of selling American agricultural products to Russia. His efforts began to pay off in 1955, with Nikita Khrushchov's accession to power. Khrushchov wanted to increase Soviet agricultural output, especially corn, and wanted to get his hands on American hybrid corn strains.

Garst was happy to accommodate: When Russia sent an agricultural delegation to the United States, Garst met with them to propose that Russia buy his hybrid corn. That began a long relationship between Garst and Khrushchov (and other Soviet officials, after Khrushchov's fall), during which Garst traveled numerous times to Russia, hosted many Soviet delegations to the United States, and concluded a number of lucrative corn sales to the Soviets. The high point came in 1959, when Khrushchov himself descended upon the Garst farm in Coon Rapids.

The Soviets gained incalculable benefits from this operation: Not only were they able to significantly increase their corn output; through Garst's efforts, the idea that peace could be achieved by feeding the Russian Army became firmly established.

Garst died in 1977, but the Mother Russia cult he and Wallace established continues to flourish in Iowa—to the detriment of the national security.

Elephants & Donkeys

by Kathleen Klenetsky

Nunn's nyet dashes neo-conservative hopes

Poor Project Democracy! Sen. Sam Nunn's decision not to enter the presidential race has caused great weeping and gnashing of teeth among the Project Democracy gang, who had been counting on the Georgia Democrat to reassert their political power. The Ben Wattenbergs, George Wills, and other "neo-conservatives" have reacted to Nunn's decision with outrage and dismay.

Perhaps the most cataclysmic appraisal came from *Christian Science Monitor* columnist Joseph Harsch, who wrote Sept. 12 that, with Nunn out of the race, "It is now time for American voters to give serious thought to the respective merits of George Bush and Robert Dole, because the chances are that one or the other will be the next President of the United States."

Harsch reiterated the by-now-standard analysis that Nunn represented the Democrats' last best hope of recapturing key constituencies, the white Southerners and Northern working-class ethnics who fled the party in droves after the McGovernites took power in the 1970s. By virtue of his carefully cultivated "pro-defense" image, Nunn was supposed to stand out in stark contrast to the seven Democratic dwarfs, who differ only in the intensity of their commitment to selling out the country.

No matter that Nunn favors a return to SALT II, strangling the Strategic Defense Initiative, and pulling out American troops from Western Europe! His support of the drug-running Contras, and perhaps the fact that he knows how to pronounce Reykja-

vik, were deemed sufficient to qualify him as hawk-of-the-year.

Nunn's official reason for foregoing the presidential race—he was concerned that it would undercut his responsibilities as chairman of the Senate Armed Services Committee and was afraid of its impact on his family—don't hold much water. The real reasons have yet to come to light. But it is interesting that he reached his decision shortly after returning from an Aspen Institute conference in Switzerland. The meeting, which ran Aug. 11-16, was part of an ongoing Aspen program designed to create an informal cadre group in Congress who will promote Aspen's Soviet appeasement policies.

Nunn seems to have received a new infusion of treachery from the seminar. On Sept. 2, he threatened to hold up ratification of the prospective INF treaty, unless the Reagan administration reneges on its commitment to the so-called broad interpretation of the ABM Treaty. If the administration were to concede, this would bring the SDI to a screeching halt. Is it possible that Nunn's controllers at Aspen and other centers decided that he couldn't win the nomination, and would be a lot more useful full-time in the Senate?

Jimmy Carter to the rescue?

With Nunn out of the race, attention is now focused on who might function as a substitute savior for the Democrats. Speculation is centering on Sen. Bill Bradley and New York Gov. Mario Cuomo—who heads off for Moscow Sept. 19, following a speech to a U.S.-Soviet conference in Chautauqua, New York which sounded so much like Neville Chamberlain that even the *New York Times* felt called

upon to criticize it. The *Times*, in a lead editorial Aug. 29, compared Cuomo's speech to the conference to that given by Bradley, and concluded that the latter was much more "realistic" in assessing Soviet intentions.

There's another candidate itching to step into Nunn's shoes: Jimmy Carter! According to the Aug. 28 *New York Post*, longtime cronies of the former President, who also happens to be Nunn's fourth cousin, are mounting a campaign to return him to the White House.

Leon Charney, a New York lawyer who was one of Carter's earliest supporters, plans to form a campaign committee and start seeking contributions. "I believe if there was a groundswell, if enough people asked him to run, he would do it . . . as a patriot," Charney told the *Post*. "Rosalynn would like him to run. She said he's the only man qualified to lead the Western world."

Will Gary Hart be back in?

Nunn's withdrawal wasn't the only development which shook the Democrats in August. There were also mootings that Gary Hart might get back into the race. Hart's former campaign manager, Bill Dixon, touched off speculation when he told a radio interviewer that Hart was interested in reviving his candidacy. If Hart did, said Dixon, he would run a "non-traditional" campaign.

Hart himself has refused to categorically rule out a candidacy; he is expected to make his intentions known on ABC's "NightLine" Sept. 8. Whether Hart is seriously interested in winning the Democratic presidential nomination, or is considering a "potemkin" campaign to qualify for FEC matching funds and pay off some of his campaign debt, is as yet unclear.

National News

Deny weapons permits to LaRouche guards

A three-judge panel in Loudoun County, Virginia has denied the applications for concealed weapons permits of four individuals who provide personal security for presidential candidate Lyndon H. LaRouche, Jr.

The order, dated Aug. 25, cited the following "reason" for the denial:

"That the applicant's only need to carry such weapon arises out of his employment with a security firm whose sole client is Lyndon R. [sic] LaRouche. While Lyndon R. LaRouche is under indictment by a Federal Grand Jury, it would be improper to issue permits for others whom he has hired to protect him. Furthermore, no need for such protection has been shown to exist at present."

The first finding is completely without legal foundation, according to legal professionals, as the state law in question speaks only to the applicants, and makes no reference whatsoever to the person for whom applicants are providing security protection.

Second, the finding of "no need" reversed three previous court rulings in which LaRouche, a highly controversial figure on four continents, was found to have a need for protection.

As part of the broad political persecution of LaRouche and his associates which began immediately after the 1984 elections, Virginia state and county officials, at the instigation of the Justice Department, began an effort to strip LaRouche of security last year.

The decision is expected to be appealed.

Richard, Trott under 'Irangate' investigation

Justice Department officials Mark Richard and Stephen Trott are becoming the focus of attention of investigative reporters for their role in obstructing an investigation of the

links of the Nicaraguan Contras to drug trafficking.

According to a *Newsweek* magazine report, documents released by the congressional select committee probing the scandal appear to indicate that Richard and Deputy Attorney General Stephen Trott colluded with National Security Council staffers to quash an investigation into an assassination plot against a U.S. ambassador.

A Miami Assistant U.S. Attorney was investigating a Contra network believed to be plotting the assassination of the U.S. ambassador to Costa Rica, Lewis Tams. According to *EIR*'s information, a contract was put out on Tams by Colombia's notorious Medellín Cartel cocaine traffickers, because of his involvement in pressing for extradition of captured drug traffickers to the United States.

That the Medellín Cartel was directly involved in Lt. Col. Oliver North's Contra supply operations.

When Tams was moved out of Colombia to Costa Rica for his protection, a Contra network picked up the Colombian contract on him, and was preparing his assassination, information indicates.

As early as April 1986, the Miami U.S. Attorney's office had confirmed information that the Contra network in question was under the protection of Lt. Col. North, says the *Newsweek* report. Richard and Trott, however, stopped the Miami probe, telling investigators there, "The NSC will handle it."

Justice Dept. opposes independent counsel post

Officials of the U.S. Justice Department went into court on Aug. 31 to argue that the statute creating the office of independent counsel is unconstitutional.

In a brief filed in Federal Appeals Court in Washington, the Department argued that the 1978 Ethics in Government Act violates the constitutional mandate of separation of powers. The filing came in a case stemming

from the Environmental Protection Agency's 1983 Superfund scandal, and follows a number of cases involving administration officials—including Attorney General Ed Meese—who have become subjects of independent counsel investigations.

However, numerous Justice Department officials whose involvement in covering up the Iran-Contra affair has been established by *EIR*, are clearly most concerned with that particular independent counsel investigation.

Deputy Attorney General Arnold I. Burns told House Speaker Jim Wright and Vice President George Bush in letters Aug. 31 that the brief was filed because the Justice Department "was compelled to protect the separation of powers that is so fundamental to our constitutional structure." Burns is acting attorney general in the case, because Meese recused himself due to an independent counsel investigation of his ties to the scandal-ridden Wedtech munitions firm.

Burns said Justice is "firmly convinced that the goal of punishing criminal activity by government officials can properly be achieved within the existing constitutional framework," and had "consistently attempted to administer the law in a fashion that avoids its constitutional infirmities."

Giuliani may seek public office

U.S. Attorney for New York Rudolph Giuliani said Aug. 28 that he will not rule out the possibility of running for public office—including mayor of New York City, senator, or governor of the state.

He told a press conference that he will make no final decision on his political plans for at least a month, but plans to leave his present post within three months to a year.

Giuliani has made a name for himself with aggressive prosecution of Wall Street insider trading cases, such as the famous Ivan Boesky case. His office also prosecuted a number of million-dollar-a-year Wall Street brokers on drug use and trafficking charges.

Immigrants to be tested for AIDS

The Reagan administration announced on Aug. 28 that, as of Dec. 1, it will require all persons seeking immigrant visas to the United States, as well as all undocumented aliens seeking legalized status, to undergo testing for Acquired Immune Deficiency Syndrome (AIDS).

Those who test positive will be denied entry visas, or legal status under the amnesty provisions of the new immigration law.

Under rules developed by the Public Health Service, a positive test for AIDS antibodies would be added to the list of eight "dangerous and infectious diseases" that constitute medical grounds for denial of a visa.

The rules state that "any person infected with HIV [human immuno-deficiency virus, the believed cause of AIDS] is assumed to be capable of transmitting the virus."

CDC admits there are more AIDS cases

From 10% to 15% more sufferers of Acquired Immune Deficiency Syndrome (AIDS), will now be allowed to be called AIDS sufferers, as a new definition of what the Atlanta-based Centers for Disease Control will officially accept as AIDS went into effect on Sept. 1.

The new definition allows for a number of cases previously diagnosed as "suspect cases" or "AIDS-like disease" to be officially recognized as AIDS.

All of these previously non-AIDS AIDS cases, of course, had one thing in common with "classic" AIDS cases—the presence of the AIDS virus, and a number of symptoms of "AIDS-related" conditions. They were not included in the official list of AIDS cases, because "what we worry about is being sufficiently specific—not calling things that

are not AIDS, AIDS," said Dr. Tim Dondero, chief of the surveillance and evaluation branch for the CDC's AIDS program.

Almost immediately, the number of AIDS cases officially recognized as such will rise from more than 40,000 to over 45,000.

Apart from lying propaganda treating AIDS as an exclusively sexual disease, the nominalism of restrictive definitions of AIDS has been a chief means of covering up the extent of its spread by the CDC.

Weinberger to remain in Washington this time

Secretary of Defense Caspar Weinberger has canceled a scheduled trip to Rome Sept. 11. He will instead remain in Washington to participate in the planning and preparations for the meeting between Secretary of State George Shultz and his Soviet counterpart, Eduard Shevardnadze, scheduled for mid-September.

In October 1986, Weinberger was sent half-way around the world to India while President Reagan was meeting with Mikhail Gorbachov in Reykjavik, Iceland. As a result, the President very nearly granted massive strategic concessions to the Soviet leader, advocated by Shultz but opposed by Weinberger.

Plans were under way to ship Weinberger out of the country again for the key Shultz-Shevardnadze meeting, but were abruptly changed by the Sept. 1 announcement canceling his Rome trip.

Weinberger's presence could alter the complexion of the meeting, a preliminary for what Shultz hopes will be a second Reagan-Gorbachov summit. At that summit, Shultz hopes Reagan will sign a strategically disastrous intermediate-range nuclear force (INF) agreement.

U.S. government spokesmen say that not only the projected INF accord, but strategic arms and the Strategic Defense Initiative will be key items on the Shultz-Shevardnadze agenda.

Briefly

● **VICE PRESIDENT** George Bush, during September, will become the highest U.S. official to visit Poland since martial law was declared in late 1981. His main concern, say Washington sources, is the Polish-American vote in the 1988 presidential elections.

● **FRANK CARLUCCI**, national security adviser, in a letter to the *Washington Times*, said that new covert-operations guidelines have not changed the status of Executive Order 12333, whose provisions remain in effect. "There has been and will be no redefinition of so-called special activities, which will continue to be defined as in Executive Order No. 12333 of 1981." Illegal operations against opponents of administration policies have been carried out under EO 12333.

● **SABOTAGE** of the MX missile program is the clear aim of a suit filed by the Department of Justice the week of Aug. 25, against the Northrop Corp., one of the principal MX contractors. The suit charges Northrop with faulty or no tests of the missile's guidance system, and demands the return of Pentagon monies earmarked for the tests. The suit neatly coincides with a House Armed Services Committee (i.e., Rep. Les Aspin) report questioning the accuracy of the missile's guidance system.

● **GEORGE SHULTZ** has lobbied the White House for weeks, attempting to secure the nomination of Paul Nitze as head of the Arms Control and Disarmament Agency, against the wishes of the Pentagon, say Washington sources.

● **SVEN KRAMER**, the son of longtime State Department operative Fritz Kramer, the man who says he "created" Henry Kissinger, has signed on with the presidential campaign of Rep. Jack Kemp. The young Kramer is currently a National Security Council staffer.

Celebrate 'national Americanism'

On September 17, Americans will remember with pride the Bicentennial of the U.S. Constitution. On that date in 1787, the convention which had been called to reform the weak Articles of Confederation, concluded its labors under the leadership of Benjamin Franklin and George Washington by shaping a new Constitution, capable of preserving the great republican experiment and making the United States a "beacon of hope and Temple of Liberty" for the entire world.

The creation of the American republic receives a peculiar commemoration in the July issue of the journal of the Soviet foreign ministry, *International Affairs*. This official mouthpiece of the Russian Empire blasts "national Americanism," which it correctly describes as rooted in the 17th-century Puritan settlers' belief that the new colonies were "a city on the hill" which would set an example for all nations.

Author Kamaludin Gadjiev interprets this in his own fashion:

" 'Americanism,' which constitutes the fabric of ordinary and ideological bourgeois consciousness in the United States, has become what it is today as a result of intricate interplay of various elements, some of which seem incompatible. It includes: confidence in progress and in Man's power of creation and firm belief that the existing social and political institutions should not be changed. . . .

"But in whatever combination, the central element of 'Americanism' is invariably the myth about 'American exclusiveness,' which has gone through a long evolution and degenerated in its extreme form into 'national Americanism.' Even as early as the 17th century, Puritans and the religious leaders of the English pioneers, who established the first colonies in North America, described America as the 'promised land' allegedly chosen by God as a place for building a 'new Zion,' 'a city on the hill' which would set an example for other nations of the world to follow. . . .

"The belief in the superiority and in a special mission of America provided conditions for turning the legitimate sense of pride in the country's attainments into chauvinism and narrow-minded jingoism, which

have taken the form of 'national Americanism,' the ideological groundwork of the foreign-policy strategy adopted by the more aggressive and expansionist-minded factions of the country's ruling class. . . . To back up the idea of American 'exclusiveness,' the Monroe Doctrine was proclaimed as early as 1823, to substantiate the dominating and leading position of the United States in the Western Hemisphere. . . .

"A task like that is still more unrealistic in our day and age for the aggressive forces of U.S. imperialism, which look forward to establishing world hegemony under slogans of national-Americanism. . . ."

Regular readers of *EIR* will recognize, filtered through the purple Soviet prose, an attack on this publication and its founder, Lyndon H. LaRouche, Jr. For who else has so upheld the heritage of the Puritan fathers and the Monroe Doctrine, as the foundation for shaping a new republican foreign policy today?

Contrary to *International Affairs*—and to the U.S. ideologues of the Heritage Foundation and "Project Democracy"—the Monroe Doctrine was never a plan for U.S. domination of the hemisphere; it was conceived as an alliance for development among sovereign republics, in defense against the marauding imperial powers of Europe. The "national Americanism" in which the Founding Fathers believed, was expressed by the German poet Friedrich Schiller as the concept of the patriot who is at the same time a world citizen, who desires republicanism in all sovereign nations.

The outpouring of bile from Moscow against "national Americanism" must be seen in the light of the recent Soviet reaffirmation that the U.S.S.R. still upholds the 1939 treaty with Nazi Germany. Indeed, Sept. 17 is also the occasion for a sadder anniversary: the Soviet invasion of Poland in 1939, according to the secret protocols of the Hitler-Stalin Pact—17 days after the Nazis invaded Poland.

Today this Nazi-communist alliance is crushing freedom in Iran, in Afghanistan, and in the captive nations of Eastern Europe. Its greatest foe, is the alliance among free nations LaRouche is building. Knowing this, Moscow has targeted him for elimination.

EIR Alert Alert Alert Alert

In December 1986, EIR Alert told its readers about Brazilian discussion of a debt moratorium. On Feb. 20, 1987—**it happened.**

On Aug. 18, 1987 EIR Alert published an AIDS Alert item on Soviet measures on AIDS. On Aug. 26, 1987, the story hit the front page of the *Washington Post*.

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- On August 23, Radio Moscow accused the demonstrators of “questioning the legality of the 1939 German-Soviet non-aggression treaty”—the notorious Hitler-Stalin Pact!

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