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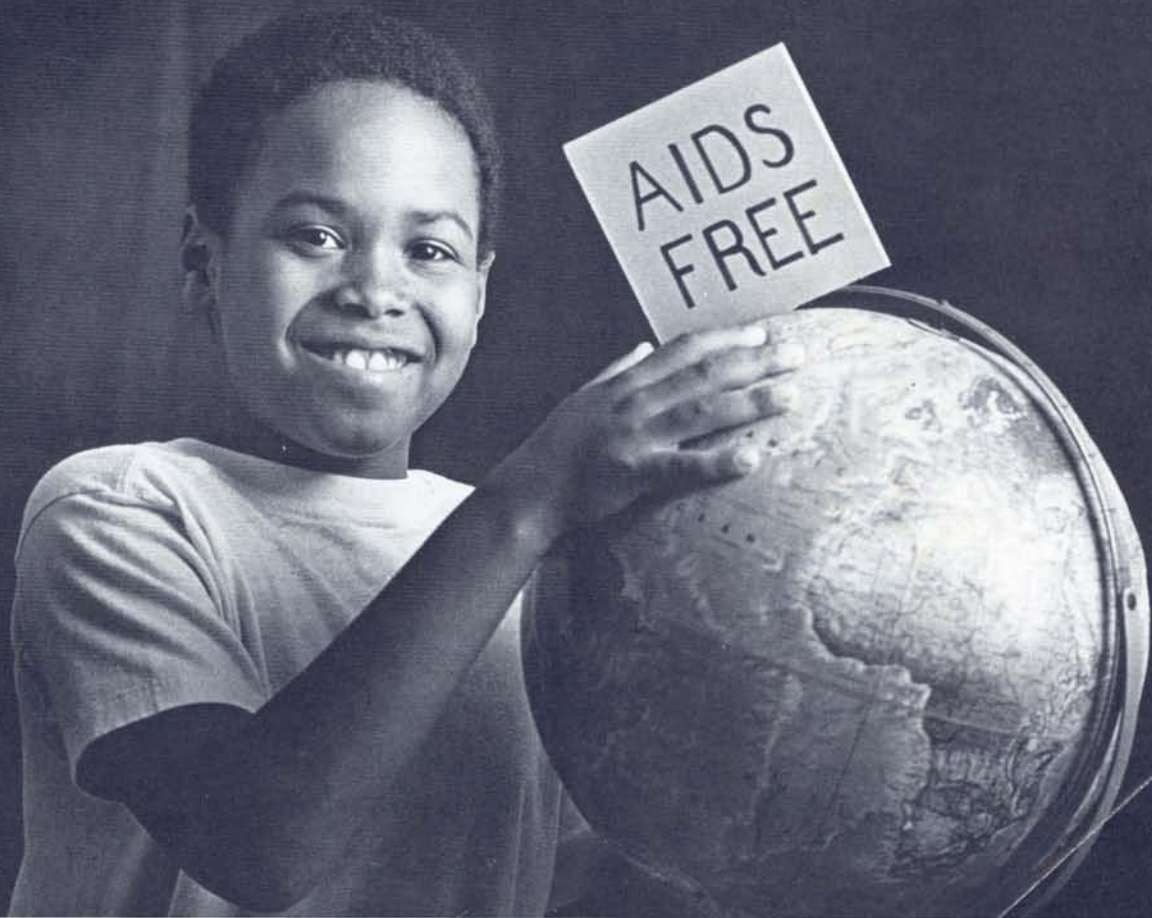
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EIR

From the Editor

Every parent in the United States should thank heaven that over 725,000 California registered voters have joined their names to a petition which successfully qualified the AIDS initiative for the June 1987 ballot. Less than 48 hours after the California secretary of state announced that the initiative had qualified, the George Bush-Ronald Reagan White House staged a press conference to release the first official report of the Presidential Commission on AIDS—a report which boils down to the administration's refusal to report anything that might cost money.

It fits right in with the insanity which prevails in the current Washington climate of making "peace" with Mikhail Gorbachov. On page 36, Lyndon LaRouche stresses that given the realities of strategic defense and electromagnetic pulse weapons, Shultz's "verification" formulas will give Soviet spies a big window on the United States and in no way protect the West from the weapons with which the Soviets plan to fight World War III.

The new AIDS statute proposed in California, is virtually identical to last year's Proposition 64, which was widely associated with Democratic presidential candidate Lyndon H. LaRouche, Jr. Given the manifest failure of leadership from Washington, the California political battle becomes the focus for a national campaign to declare a full-scale war on AIDS. As we hope to communicate with the cover, such a mobilization of U.S. citizens is the only hope for countries in Africa and other parts of the world, laid waste by the international banking fraternity's "austerity" policies, to defeat the Black Death of the 20th century.

The *Feature* initiative presents excerpts from an interview with Khushro Gandhi, chairman of the PANIC organization that petitioned to put the initiative on the California ballot; and articles by Dr. John Grauerholz rebutting the current media campaign against medical testing, and summarizing a "threefold strategy to deal with AIDS," the LaRouche policy which he has presented to audiences all over the United States.

The President's Commission is not saying so, but the so-called "cost-effective" approach to the AIDS crisis is nothing but bringing back Nazi-modeled policies of euthanasia. On page 45, LaRouche attacks this policy and its promulgators head-on, in his commentary, "Satan as a social-democratic spook."

Nora Hamerman

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Bush league finance policy left in shambles

by Chris White

After months of pressure, the central banks of Europe, led by the German Bundesbank, finally did what the band of lunatics who make U.S. economic policy have been demanding. On Thursday, Dec. 3, they lowered, in coordinated fashion, their major bank lending rates. The West German central bank cut its discount rate by a full half a percentage point, from 3% to 2.5%.

And what was the result? U.S. equity markets tumbled again, losing on the day of the rate cut, and losing more on the day after. By the end of trading Friday, the Dow Jones index stood a hair's breadth of about 25 points above its Oct. 19 Black Monday low. Soon the delusions of those who have continued to insist, since Black Monday, that the "fundamentals remain strong," will be sorely tested.

As the markets' reaction to the European interest rate reduction shows, the faction which is represented by Treasury Secretary James Baker III and Federal Reserve chairman Alan Greenspan are running out of tricks. They refuse to face up to the reality of the biggest financial crisis in human history; yet what they do insist on doing, backfires on them, almost as soon as it is done.

Baker issued a statement after the European rate cut, to the effect that the moves represented an "important contribution" to coordinated international economic policy and "should help to strengthen growth in Europe and reduce trade imbalances." Such pomposity, it can be presumed, is for the record only.

'Benign neglect'

In Europe, especially in West Germany, the view is somewhat different. There, people are recalling the Carter administration's Treasury Secretary Michael Blumenthal, who oversaw the steepest dollar collapse in postwar history, in the name of what some called at the time "benign neglect," and

what others called the "locomotive theory." At that time, growth led by West Germany in Europe, and Japan in Asia, supposedly promoted by the collapse of the dollar, would pull the world economy out of the financial and economic consequences of what was unleashed following Richard Nixon's August 1971 decision to take the dollar off the gold standard, and following the 1973-75 adoption of the "floating rates" currency system.

Then Europe adopted the tactic of placating the United States while preparing its own defenses. "Stimulus packages," like the 15 billion deutschemark package adopted in the Federal Republic of Germany the first week in December, were adopted "to have something to show to Mr. Blumenthal," as they are now adopted to "have something to show to Mr. Baker." The defense took the form of the formation of the European Monetary System (EMS), at that time, in the outline provided by Lyndon LaRouche, the potential kernel for the reorganization of the world monetary system as a whole.

In some ways, it is not so different now. While the packages are put on the table, other matters are being discussed, including the potential to expand the European Monetary System, into a European central bank and currency arrangement, backed by the gold-backed unit of account, the European Currency Unit (ECU). This has been raised within Germany and France at the highest level. It is also what is implicit in the combination of central bank which acted in concert on Dec. 3.

Those joining the Bundesbank included the central banks of Great Britain, France, Switzerland, Belgium, the Netherlands, and Austria. Noteworthy in this collection was the Bank of England. When the EMS was formed, the British stayed out, preferring to throw in their lot with the dollar. During 1978, they had completed the rundown of that vestige

of sterling's reserve role, the "sterling balances," and removed exchange controls on the pound. Since then, British finance has played a game of arbitrage between the United States and Europe, selling dear in the U.S. and buying cheap from Europe, especially where City of London financial services are concerned. That financial game was the British share in the international arrangements which underwrote the so-called "Reagan recovery."

The presence of the British central bank in the coordinated rate cut is a sure-fire indicator that that financial game is now officially over, and that the British are beginning to trim away from the dollar, and orient toward Europe.

When Baker talks of "important contributions" to international economic coordination, he is really talking about deepening international cooperation in self-defense against the collapse of the dollar system. Meanwhile, though, the Europeans are now telling the United States, "It's your move; we did what you've been demanding we do—now it's your turn to deliver."

What the Europeans are demanding that the United States do, is as insane, and useless, as what the U.S. is actually doing.

Now, though, this reality is apparently beginning to sink home in some quarters. Former Federal Reserve chairman Paul Volcker—whom some have seen as the potential savior in the present mess, for idiotic reasons of their own, considering his almost single-handed contribution to creating it—is spreading the word that there is a really big financial crisis looming for February. Others are beginning to be as concerned about tomorrow or next week.

Through the Thanksgiving weekend, the theatrical production around the so-called "bipartisan budget reduction compromise" was sufficient political leverage to keep the system afloat. After the Thanksgiving weekend, those illusions, or wishful thoughts, began to evaporate.

On the first trading day after the holiday, the danger lights began to go on again around the world. Simultaneously, all stock markets nosedived, the dollar went into a tailspin, and for the first time since the events of mid-October, the price of gold began to climb toward the \$500 level. In London, the expectation was of a new Black Monday; in Frankfurt, the word was "catastrophe"; the Swiss spoke of the development of a new "mini-crisis" and a "crisis of confidence" in the ruling institutions of the United States. The new Japanese Prime Minister Noboru Takeshita appealed publicly for international action to stabilize exchange rates. By the end of the week, the U.S. stock market had lost almost all the ground some thought it had recovered since Black Monday.

The budget-cutting trick had been tried and had failed. The dollar-collapsing trick had been tried and had failed.

Phony 'stabilization' plan

The Europeans who coordinated their interest rate reductions, are coordinating their policy along the lines agreed at the early November Basel, Switzerland meeting of the central

bankers' central bank, the Bank for International Settlements. That meeting had not-so-politely demanded that the United States shift policy and deal with the crisis by "fiscal means." Instead of devaluing the currency, the central bankers were demanding that the United States employ tax increases and interest rate hikes to choke off the growth of credit.

Such an approach, if actually adopted, would cause the implosion of whole sections of the U.S. banking system, more or less overnight. For some, it has become the precondition for another meeting of the Group of Seven finance ministers to try to come up with yet another exchange rate stabilization program. British Chancellor of the Exchequer Nigel Lawson has said that a U.S. commitment to increase its domestic interest rates ought to be established before any such meeting is held.

Some kind of "stabilization plan," which would bring down whole chunks of the banking system!

On the U.S. side, the insanity is somewhat different. The President and his supposed economic policy spokesmen have insisted publicly, since that November meeting of the BIS, that it is not the policy of the U.S. government to collapse the dollar. A de facto trading floor, in the range of 1.60 DM, has been established as the new, if only short-lived, benchmark. European insistence, backed up by the threat to let the dollar go into a free-fall, helped set that level.

But since the U.S. "powers that be" won't accept the interest rate hike idea, and since they also won't accept the alternative reorganization measures put forward by LaRouche, because they refuse to admit the crisis is a crisis, those "powers that be" keep on returning to the same old policy: Collapse the dollar, force the Europeans and the Japanese to pay the costs of the bankruptcy of the United States, by bankrupting themselves even as the U.S. sinks.

This line was elaborated by Vice President George Bush, in response to a question posed by Jack Kemp during NBC's so-called presidential campaign debate. Bush asserted that he would not favor setting a value for the dollar against any other currency, nor would he accept increases in taxation. He favors permitting the dollar to go into a free-fall.

Bush's remarks make clear where the Baker-Greenspan policy is coming from. Both are longtime associates and collaborators of the vice president, who has also taken the economic counsel of Harvard lunatic Martin Feldstein, former chairman of the Reagan Council of Economic Advisers. Less extreme, perhaps, than Bush, Feldstein has argued publicly that the dollar is headed, over the next period, to a parity of 100 yen and 1.20 DM.

The deepening split between Europe and the United States, and the absence on either side of the Atlantic of any competent institutional response to the crisis, is the surest indicator that the system is spinning politically out of control. Maybe Volcker is right, and the looming "big" crisis can be delayed into the New Year. The way these clowns are behaving, it more than likely will not be.

The summit in Acapulco: political triumph for Ibero-America

by Carlos Méndez

The just-concluded summit of the Group of Eight Ibero-American Presidents in Acapulco, Mexico was a political success, with the consolidation of a "permanent consulting mechanism" which will now serve to coordinate actions regarding foreign debt and economic integration—and an agreement by the Presidents to meet regularly in the future. Since the Western monetary system is on the verge of collapse into a full-fledged depression, the Group of Eight's consulting mechanism is indispensable to allow those nations to take appropriate action when they are ready.

Regarding the Ibero-American foreign debt, the summit resolution asserts solidarity and support for any country that determines it is necessary to unilaterally limit debt payments. That resolution was described by Peruvian President Alan García as "an immense advance," in a press conference given by the eight Presidents at the conclusion of the summit. In effect, the resolution represents the first formal support for President García's own July 1985 decision to limit Peru's debt payments to 10% of its export income.

The importance of the Nov. 27-29 summit is clear when one considers that, for the first time in history, eight Ibero-American heads of state met on their own initiative, and to discuss their own agenda—without the participation of the United States. Also striking is the fact that the eight countries represented, Argentina, Brazil, Colombia, Mexico, Panama, Peru, Uruguay, and Venezuela, speak for more than 80% of the total population of Ibero-America (390 million), and that their combined debts represent nearly 90% of the total foreign debt of the continent, approximately \$400 billion.

Among the eight were Argentina, Brazil, and Mexico, which are not only the largest Ibero-American debtors, but also have the greatest number and variety of resources upon which to jointly base an Ibero-American common market, one of the items on the summit agenda.

The Brazilian daily *O Estado do São Paulo*, a mouthpiece of international financial interests, nervously summed up the summit's outcome in a Dec. 1 editorial: "The great victor of Acapulco, despite all statements to the contrary, was President Alan García of Peru; after all, it was he who established the system according to which one pays only what one can pay. . . . One must not lose sight of the fact that those who are prepared to play hard ball with the creditor nations and the foreign banks will do everything they can to transform the Acapulco declaration into a document of international

law, an absolute guideline for diplomatic behavior."

Brazilian Finance Minister Luiz Carlos Bresser Pereira has reportedly brought an English-language version of the Acapulco declaration to the United States, where he presented bankers with copies at the outset of the new round of debt negotiations.

New world economic order

Held just five weeks after "Black Monday," which marked the beginning of an irreversible decline of the international financial system, the Acapulco summit represents both an appeal, and an opportunity, to avoid a depression in the West. As President García stated in his opening address, "In today's crisis, there continues to be one truth. We need much of the capital, the technology, of the rich nations, but in today's crisis, a deeper, more important truth looms: They also need us; they need us urgently as a market for their capital, expanded and inflated by speculative interest rates; they need our America to receive their technology and they need us for their growth, to reconstruct the world system on a more just basis.

"They are not aware of this truth, of their interdependence. . . . That is why Latin America now must not only defend itself from the crisis, but also call the attention of the world and of the industrialized countries to the imperative of rebuilding the world economic system."

This urgent appeal, that only a new economic order based on justice can save the industrialized sector, was also posed last year by the Vatican, in the document on the problem of the debt prepared by its Justice and Peace Commission.

The same precepts were presented in 1982 by Lyndon LaRouche, in his work *Operation Juárez*, in which he demonstrates that the primary beneficiary of Ibero-American and Third World development would be the industrialized sector. But LaRouche also warned that if the advanced nations refuse to create that new world order, the debtor nations must fight for their own survival, through joint repudiation of the debt and creation of an Ibero-American common market.

The banks are silent

Although the general sentiment among attendees at the presidential summit was that the advanced sector nations would take the joint communiqué from Acapulco under consideration, as of this writing there has been scarcely a word

from either the creditor banks or the governments of the creditor nations about the historic meeting. According to UPI wire service on Nov. 30, "The financial community did not wish to comment today on the meeting. . . . The U.S. Treasury Department kept silent. . . . Spokesmen of the International Monetary Fund and World Bank indicated that the multilateral organizations are still studying the final communiqué of the conference. . . . Similar comments were made by the Institute of International Finances, a think tank of the world's leading banks" headquartered in Washington, D.C.

However, London's *Financial Times* considers the summit highly important. In its Nov. 30 edition, it writes, "It is the first time that Latin American debtor countries have threatened, in conciliatory tone but with unmistakable intent, to take unilateral action against creditors if their demands are not met. . . . This is the closest the region has come to setting up a 'debtors' cartel' since the foreign debt crisis broke in Mexico in August 1982."

The *Financial Times* also reported that the meeting of the Group of Eight was the first time that Ibero-American heads of state had met outside the framework of the Organization of American States (OAS), controlled by the United States, as well as the first time that they demanded reduction of interest rates to the 4% levels that existed at the end of the 1970s. The *Times* adds, "'The Pact of Acapulco' proposes an arrangement whereby the debt would reflect actual market prices, which are approximately half their face value."

Reject IMF 'conditionalities'

To a certain extent, the evaluation of the *Financial Times* is correct, if limited, and coincides with statements by a Mexican government official, who described the Declaration of Acapulco as a warning: "Hear this message, friends, because otherwise you will force us to take more unilateral measures."

The joint communiqué of the eight Presidents also contained an agreement to work to "revise the policies of the International Monetary Fund (IMF), so as to assure adjustment with growth," as well as to "decouple the granting and disbursement of credits by the commercial banks from agreements with the IMF and World Bank." The communiqué formally objected to "cross-conditionalities between the financial programs of the multilateral organizations and the establishment of prior conditions in negotiations of the Club of Paris," the bankers' club.

On the foreign debt, the dominant issue at the summit, Argentine President Raúl Alfonsín told reporters that his government was proposing a return to fixed interest rates of 4%.

President García supported this proposal, adding, "If we calculate Latin America's debts backward, with interest rates at which they were contracted and not the rates which later floated upwards . . . we could conclude that Latin America—and Peru within it—had paid its debt some time ago. But with the increase of interest rates, which is the great

instrument of manipulation by the industrialized nations, we become more and more indebted, despite forcing ourselves to pay."

García also asserted: "If our labor, our copper, our wheat, sell at market value and not the value of the labor we use to produce them, the debt should then receive the same treatment by the market, and by the laws of supply and demand."

And when asked if it did not create a gap to agree that each nation should individually decide how to pay, "instead of making a joint decision," García responded: "No gap has been left. The decision has been made to stand in solidarity with those countries which decide to limit payment on their debt. The meeting addressed a taboo that was previously untouchable, limiting interest rates, and the essential moral principle according to which no one is obliged to do that which is considered unjust, or to subject his people to intolerable pressures."

Science and technology

One of the most important questions discussed at the summit was that of science and technology, a vital matter for development and integration. In the summit declaration, the Presidents said: "We agree to encourage a program of association and cooperation in science and technology, which unites the public and private capabilities of each nation, to advance toward technological autonomy in priority areas, and in particular in the advanced technologies."

In his address to the summit, Brazilian President José Sarney said, "The world to come will be divided between those who will produce technologies and those who will be limited to consuming them. If we are capable of unifying ourselves, if we succeed in creating efficient mechanisms of cooperation for research and scientific and technological production, we will have the appropriate conditions for solving for ourselves the increasingly complex problems that characterize contemporary society. If this is not done, we will have to resign ourselves to dependency and backwardness."

A forum for consultation

As far as can be determined, the U.S. State Department is furious, as much for the meeting itself as for the agreement to broaden and strengthen the permanent consulting mechanism created by the Group of Eight. The summit initiative is viewed by the State Department as an "uppity" attempt to replace the OAS, despite the fact that it was U.S. Secretary of State George Shultz himself who, but a short time ago, had tried to eliminate the OAS. That effort had failed dismally, when the Group of Eight delegates at the OAS meeting had convoked their own discussions at the Mexican embassy in Washington, leaving the State Department out in the cold.

Venezuelan Foreign Minister Simón Consalvi addressed the United States' glaring "lack of interest" in the presidential summit, while speaking to a reporter at the Acapulco event. He referred to the earlier Nov. 9 conference of the Organization of American States, held in Washington, D.C., where

"we spent eight days there and couldn't find anyone to talk to in the U.S. government. That had never happened to us before." The Group of Eight summit, suggested Consalvi, was a response to that studied "disinterest."

Asked by this publication to comment on the presidential summit's conclusions on the debt and IMF conditionalities, State Department spokesman Charles Redman declared Nov. 30, "We would only point out that the complex global debt issue continues to receive close attention by the United States as well as by other industrialized countries, within the framework of the international financial system and its established multilateral forums, particularly the International Monetary Fund and World Bank."

That scarcely veiled commitment to inaction was the U.S. government's only public response to the Group of Eight summit.

Support for Panama

Another thing that angered the State Department was the support given Panama at the Acapulco meeting. President Eric Arturo Delvalle declared in his opening address to the summit that, in addition to the debt burden, his country also suffers "the political and economic aggression of reactionary sectors in the United States." Those sectors, he said, "have discovered and domestically encouraged national groups that consider the moment opportune for satisfying their political pretensions" through an "intense campaign of lies," with the objective of "overthrowing the legitimately constituted powers."

The Acapulco communiqué not only endorses "full compliance with the 1977 Panama Canal Treaties," which it calls "of prime importance for maintaining peace and security in the region," but also commits the Group of Eight "to fight against unilateral decisions based on domestic laws or on policies of force," an indirect reference to the U.S. congressional resolutions cutting off all aid to Panama.

In the context of its reiterated endorsement of the Contadora peace initiatives for Central America, the Group of Eight urges "implementation of an international emergency program of economic cooperation for the countries of Central America, which will include measures to rebuild their economies." Group of Eight support for such an emergency program, according to the final communiqué, would include granting of facilities to encourage inter-regional Central American-South American trade, financial assistance to region-wide Central American development agencies, and participation in specific projects for emergency food assistance and agro-industrial training programs.

The Group of Eight summit resolved to send Peruvian President García on a tour of Central America, currently ongoing, to report on the proceedings and bring fraternal pledges of commitment to the well-being of that region.

The Presidents also stated, "Encouraged by the fruitful results of this First Meeting of Eight Latin American Presi-

dents, we have determined to meet again in Uruguay, in the second half of 1988." Such a decision is entirely new in the region, and represents an important step toward integration. As President Sarney stated in his opening address, "New winds are blowing across our continent, the winds of independence, the winds of autonomy, of full exercise of our foreign policies, without the chains of the great powers or the mediocre limitation of small conflicts. This event is history. For the first time we are meeting without being called together by a great power; we are going to discuss the destiny of an important part of the world."

On Dec. 1, the Mexican ambassador in Washington delivered the Declaration of Acapulco to the OAS Permanent Council. The council President, Panamanian Ambassador Roberto Leyton, responded, "The commitment of Acapulco can serve as a departure point for us to analyze our needs, and as a warning to those who have traditionally sought to keep Latin Americans and the people of the Caribbean divided."

Documentation

The communiqué: development, democracy

The following are excerpts from the joint communiqué signed Nov. 29, 1987 by the the Group of Eight Ibero-American Presidents.

The Heads of State of the member countries of the Permanent Mechanism for Consultation and Concerted Political Action, Argentina, Brazil, Colombia, Mexico, Panama, Peru, Uruguay, and Venezuela, meeting in Acapulco, Mexico, have held talks in this city to study the major political and economic challenges our countries are facing and to seek answers, on the basis of the fundamental affinities that unite us, to fulfill the aspirations and legitimate needs of our peoples for progress and well-being.

1) The guiding principle of our work has been our basic agreement that it is imperative to increase concerted political action among our governments, as a result of the encouraging experience of the Permanent Mechanism for Consultation and Concerted Political Action and its immediate antecedents: the actions of the Contadora Group and its Support

Group. We have been decidedly inspired by our identification of a set of common interests, a commitment to democracy with development, to justice and independence, and a shared sense of solidarity with all the peoples of our region: Latin America and the Caribbean. This broad confluence of interests has led us to conclude that the Permanent Mechanism provides a suitable opportunity and an appropriate framework for us to meet regularly once a year. . . .

10) Transnational financial flows between the principal industrialized countries have expanded to the extent that they have a decisive influence on all aspects of economic life. Their instability, coupled with the imbalances between those same countries owing to their failure to act responsibly in making adjustments that would at the same time promote world growth, has been dramatically demonstrated by the recent drop in the world's principal stock exchanges. These events show that, in a climate of growing uncertainty, the possibility of an international recession is increasing, which would affect the development and the well-being of all the world's peoples. At the same time, no multilateral action is being taken to permit an effective coordination of policies in which developing countries can participate with the aim of revitalizing the economy and world trade. . . .

12) The economic crisis undermines democracy in the region because it neutralizes the legitimate efforts of our peoples to improve their living standards. In addition, it is contradictory that those who call for democracy also impose, in world economic relations, conditions and adjustments that compromise that very democracy and that they themselves do not apply in correcting their own imbalances. . . .

16) . . . It has become apparent that no lasting economic program can be consistent with the objective of sustained growth unless the mass transfer of financial resources to other countries is reversed, limiting debt service to each country's real capacity to pay. . . .

23) The actions of the Contadora Group and its Support Group constitute an unprecedented experience in concerted Latin American efforts in the field of regional peace and security. . . .

28) The negotiation process under way should be accompanied by improvement in the economic and social situation in the countries of the area. Consequently, we have agreed to support the implementation of an international emergency program of economic cooperation for the countries of Central America, which will include measures to rebuild their economies.

31) We believe that full compliance with the 1977 Panama Canal Treaties, which include granting Panama exclusive control over the canal, is of prime importance to maintaining peace and security in the region. . . .

34) We reiterate our determination to continue fighting individually and collectively against drug-trafficking in its different forms. At the same time, we note that this objective cannot be achieved without concerted action on the part of

all States and particularly on the part of the industrialized countries where the major centers of consumption are located. . . .

37) Recovery of sustained economic growth, improvement in our peoples' standard of living and strengthening of democratic processes in the area require a just and permanent solution to the external debt problem, in addition to unpostponable measures to reduce the burden of servicing the debt. . . .

38) Although the results achieved to date are insufficient, efforts have brought about growing recognition that any viable solution must necessarily include considerations regarding sustained growth of the debtor countries, adjustment of debt servicing to each country's capacity to pay, the political nature of the problem, shared responsibility of debtors and creditors in this matter, and the need to establish formulas for emergencies in order to attenuate the negative impact of external factors beyond the control of the debtor countries.

39) To date, negotiations have not reflected these principles. They have only been temporary and palliative efforts and not a permanent solution to the problem, since the burden of the debt has grown. Negotiation processes are recurrent, excessively long and complex, which causes uncertainty in designing long-term development policies and inhibits investment decision-making and autonomous financing flows. . . .

43) . . . If the progress foreseen is not achieved within a suitable time, some countries, in accordance with their own circumstances, may be forced to take unilateral measures to limit their debt servicing in a manner consistent with their development needs. In this regard, we express our solidarity with the countries which, in exercising their sovereignty, take measures to limit their debt servicing to their capacity to pay. . . .

45) We commit ourselves to act jointly to fight against unilateral decisions based on domestic laws or on policies of force and to fight for a strengthened international trade system that will enforce its norms and principles, which is an essential condition for the economic security and sovereignty of our countries. Furthermore, we object to the unilateral trade concessions demanded from countries of the area as a condition for obtaining external financing.

46) Regional integration is a political commitment of prime importance to our countries and a tool for change and modernization, which should involve the active participation of all economic and social agents.

47) . . . Integration is an essential tool for ensuring more effective participation of the region in international relations and expanding its negotiating power vis-à-vis third parties. . . .

49) These measures, as a whole, will encourage the gradual establishment of an expanded economic space in the region and will be aimed at ultimately converging into a Latin American common market.

García: 'This is the day of Creation'

The following are excerpts from the speech of Peruvian President Alan García, to the opening session of the Acapulco summit on Nov. 27, 1987.

Those who believe in sovereignty and in justice have come here because there is no greater cause, nor more important revolution, than the unity of Latin America. In view of the challenge posed by the year 2000, and the hopeful yearnings of Latin America's youth, we know that the moment for action has come. . . .

Democracy is ephemeral, development is transient, and justice unreachable in our countries as long as we shut our borders to history, as we have done until now. As long as Latin Americans remain divided, we will suffer the dictates of those who benefit from injustice, and our people will remain bent under the weight of the debt.

When we are asked why democracy in Latin America is unstable, poor, transient, some answer that it is the continent's lack of political culture, but this is an unacceptable colonial response. Others say that it is because there is much injustice, but this is only part of the truth. The minorities that economically dominate us truly respond to foreign interests. In the end, one must say: Democracy is weak and unstable because there is much international domination, because Latin America suffers a great dependency. But, why does it suffer this dependency and this domination? It suffers because it is divided, because we are isolated, separated, and thus, what Latin America suffers is nobody's blame but ours. . . .

We did not learn this lesson during the difficult crisis of 1929; then, when the prices of raw materials fell, each of us sought mistakenly, illusorily, to build our own industry, our own market. . . . Today . . . we must ask ourselves if, in this 1987 crisis, we are going to forget the lesson of 1929 and if we are going to attempt, yet again, to negotiate separately, to attempt the leap of technological development, which would be a mortal leap into the abyss if each of us attempts it individually. And we must ask ourselves if we will understand that which has been mentioned here, that some day there will be an enormous breach between the producers of technology and the consumers of technology, something that can only be avoided by the unity of Latin America, as a great

market of technology for the future and of great productive potential.

And if we didn't learn the lesson in 1929, we must in this 1987 respond in the only manner possible: with the economic and political unity of our continent. . . . We need the capital and technology of the rich countries, but . . . they also need us. They need us urgently as a market for their capital, their technology. . . . They are not yet aware of this truth, of this interdependence. . . .

As has already been stated here this morning, it is not a time for words, but for action . . . without vacillation and without fear. . . .

However, there is something else: The fear has been shattered, the myth is extinguished, the untouchables disappear from the scene. Several countries have limited the amount of their payments—*de facto* or *de jure*—and nothing has happened. We can now enter into that unknown territory of which we have been so fearful. The threats have proven to be merely paper threats. . . .

We must therefore act now, perhaps with different goals but jointly. To act collectively does not mean all of us adopting the same method, the same procedure; to act collectively means deciding to act at once, albeit with different methods. The debt can take different forms in each country, but it is a single problem. And it is here . . . that we must reach an agreement to act, to take a cumulative step toward the decision the world expects of us. . . .

Each of us has the right, in the name of our people, to pay no more than our economy can pay, and to not pay if the social situation does not permit it; that is the moral law of the debtor, and the moral obligation of we who govern. We are not obliged to recognize more than a just interest rate. . . . We must be capable of establishing a Latin American interest rate; we must set limits to the payment of the debt in relation to our income; we must give the debt the market value which it bears in fact, and not pay interest at the hypothetical and nominal rates they would force upon us. . . .

A decision must be made, because the debt is the great motor of Latin American rebellion; it is the objective condition for unity and the greatest contradiction of the international economic system. Let us not miss the train of history, nor entrap ourselves in vacillation; collectively or individually, we must act. . . .

This meeting is therefore a decisive step toward unity, and whatever the result—small or large—it will be a precedent which we must pursue with further steps. Unity cannot be negotiated by technocrats. It will be a political event like this. . . .

And this world of the possible, of freedom, is ours. Other people have already paved the way. In our world, there is a long way yet to go. . . . As stated in Genesis, this is the day of the Creation. If we can part the waters and deserts to irrigate the lands and make them fertile, we can also bring the light of unity out from beneath the shadows of debt, misery, and violence.



Brazil's foreign debt policy regresses to conventional path

by Dilson Funaro

The author was the finance minister of Brazil until April 1987. He was the architect of Brazil's February 1987 debt moratorium, and remains a popular leader of Brazil's ruling PMDB party. He wrote this article for EIR.

The negotiations recently conducted in New York led to a provisional accord which is profoundly unsatisfactory for the country's fundamental interests. Since I left the finance ministry, the Sarney government has been giving ever-clearer signs of its inclination to abandon its previous positions on foreign debt and on the International Monetary Fund. The understanding announced a few weeks ago confirms—now in an absolutely clear and unmistakable way—a return to the conventional system of negotiations, with no definitive agreement to guarantee Brazil continuous economic growth.

The joint communiqué, signed by the chief of the Brazilian delegation and by the representative of the creditor banks, leaves no doubts as to the nature of the scheme negotiated:

a) Brazil accepts disbursing \$1.5 billion, that is, the equivalent of about one-third of its current reserves, to pay part of the interest it retained since Feb. 20. The first \$500 million will be paid before the end of the year; the rest, when a medium-term accord goes into effect;

b) Brazil declares itself willing to keep interest payments up-to-date starting January 1988; and,

c) the Brazilian government commits itself to seek an accord with the International Monetary Fund.

What did the banks give in return? Merely a short-term \$3 billion loan, to allow payment of part of the interest withheld by the 1987 moratorium.

This shows that the transitional government has exhausted its negotiation capacity, and in so doing, revealed its fragility.

In order to solve the American banks' accounting problem, the government suspends the moratorium, thus surrendering its strongest bargaining card. By accepting to submit itself again to IMF tutelage, it reneges its oft-repeated promises in respect to foreign negotiations.

The PMDB and the country's other political forces cannot stand by idly as decisions are being made which seriously

compromise the future of Brazil's economy. The PMDB set out two basic principles on foreign debt renegotiations in a document approved by its July 1987 National Convention:

a) "No acceptance of IMF surveillance of economic policy, regardless of the level of formalization of such agreements. It is not merely a matter of opposing formal agreements, but also, rejecting any agreement which compromises sovereignty in the conduct of national economic policy, to the detriment of established goals of economic growth";

b) "The moratorium should remain in effect until the negotiation process achieves global restructuring of several years' debts in such a way as to limit resource transfer abroad to a maximum ceiling of 2.5% of Gross National Product in each of the next five years."

How then could the PMDB continue to support a government which lets itself get involved in understandings which imply premature lifting of the moratorium and a return to IMF tutelage?

The time has come to say "enough" to provisional agreements which may solve the accounting problems of banks in some creditor countries, but which hold dozens of nations in permanent crisis. Quite the contrary. As a result of the massive transfer of resources abroad in association with renegotiation and adjustment schemes sponsored by the Fund, the debtor countries have suffered through year upon year of recession, high unemployment, and financial instability.

These nations' economic crises have worsened to the point of harming their internal political situations and making their political stabilization much more difficult, putting into check whatever democratic advances they had won.

The telex suspending interest payments owed by Brazil to the banks clearly states that the moratorium would be suspended when—and only when—the two parties find a definitive solution to the crisis basically created by the creditor countries.

The only approach which would guarantee the growth of our economy, opening prospects for all economic actors, is a definitive solution to the crisis such that Brazil could plan at least five years ahead, instead of remaining at the mercy of rules which only benefit one of the parties.

To abandon the moratorium at this moment is to abandon the discussion of non-conventional paths to overcome the foreign debt problem. We will surrender our country's strongest bargaining card, but even more important, we will abdicate from the key discussion of the crisis which the international financial system has been in since 1980-81. Blunders in the economies of the rich countries are paid for by developing countries like Brazil, always leaving the bitter taste of recession, unemployment, economic stagnation, and resulting political instability.

The recent worsening of the international economic situation only increases the need to seek new paths of negotiation. It is lamentable, in this context, that Brazil, for lack of government, regresses in relation to positions it had taken, thus once more retarding the solution of one of our economy's worst problems, and jeopardizing any chances of a sustainable resumption of economic development.

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King's Cross tragedy chars 'Thatcherism'

by Mark Burdman

During rush hour on Nov. 18, at London's busiest Underground station, King's Cross, the worst fire in the history of the London subway system killed at least 30 people, and left scores wounded, some critically. Survivors report seeing people becoming "human torches" and "charred bodies," as what is being described as a "fireball" exploded from an escalator area to a ticket office nearby. As people were seen bursting into flame, others were stumbling in thick smoke to find the exits, and fighting desperately to clamber onto a moving train, whose drivers had been ordered not to stop at the station.

Scotland Yard officials immediately excluded terrorism as an explanation. Indeed, as anyone who has been on the London Underground recently could attest, the only surprising thing is that this has not happened sooner. The Underground, like much of Britain's road-transport infrastructure, is a rotting hulk. It has decaying wooden structures that should have been replaced with modern equipment decades ago.

The budget-slashing model

Only 48 hours before, during her speech at the Lord's Mayor dinner in London, Prime Minister Thatcher had delivered a sanctimonious lecture on global economics, declaring that "prudent finance and living within your means" is one of the "fundamentals" and "sound policies," applicable "for all times."

The speech was billed as a forceful intervention into the U.S. budget debate, with Mrs. T., utilizing the logic of the greengrocer's shop, asserting the supremacy of "Thatcherism" as an economic solution for the world. She pointed to economic developments in Britain over the last six years, as a model success story. The British economy is notorious as the advanced sector's most rotted, "post-industrial" economy.

Died-in-the-wool "Thatcherites" are wont to point to Britain's transport system as a success story. Yet, King's Cross apart, travelers on British highways and on the British rail system have many a gruesome story to report. One often-traveled highway has been dubbed the "motorway of death," because of the frequency of accidents.

As we go to press, no explanation has yet emerged about the immediate cause of the horror. Experts are particularly

bewildered that the fire took the form of a flash, a sudden fireball which suddenly engulfed a wide area near where the fire began.

While it will take some time for inquiry committees to ascertain the basic facts, and even if it is found that an act of arson started the fire, the reason it became such a gruesome disaster is clear: Cost-cutting had led not only to reduction of services and workforce, but was the reason for failure to insert equipment needed to ensure safety. As a result, when the fire actually began, a lack of communication, direction, alarms, and adequate emergency exits left panic-stricken passengers floundering about in a labyrinth of smoke-filled passages.

According to British press reports of Nov. 20, London Regional Transport (LRT), the government authority which oversees the Underground had been warned, in a 1984 report by transport consultant Jonathon Roberts, that "fires will break out on the Underground." Roberts expressed alarm that many stations in the Underground failed to meet even minimal safety standards, and said that it was only a matter of time before people were killed. He called for measures like sprinkler systems, smoke detection devices, and alarm bells. By and large his advice was ignored.

National Union of Railway Workers official Alan Norman charged Nov. 19 that the staff keeping maintenance at elevators and escalators had been "massacred" by staff cuts. One Underground worker pointed to cuts in sanitation help, which posed a real fire risk and could have been the cause of the King's Cross blaze. He pointed out that teams of men known as "Fluffers," who clear away the dust and dirt sucked into elevators, had been severely reduced. As a result, the escalator had become "like a vacuum cleaner sucking fluff and grime into it. As it builds up and smarts smoldering, it could go undetected for up to six hours and then suddenly flare up. By that time, the heat would be so intense, it would really go."

Labour Party parliamentarian Frank Hobson, whose district includes King's Cross, stated angrily that nearly 2,000 jobs have been axed, with £1.3 million being "pruned out" of the LRT budget this year, and another £800,000 being slashed from the total maintenance budget for work which the unions say is vital to stop accidents.

As the *Times* of London put it in a Nov. 20 editorial, "The search for cost-effectiveness has been made at the price of safety." It called for immediately upgrading investment in infrastructure.

The staid City of London's *Financial Times* reported Nov. 20 that, for the time being, criticism of LRT would be muted, "out of respect for the dead and a sense of shock at the enormity of the tragedy." But, once this mood passes, the post-mortem will center on claims that LRT "is more concerned with cutting staff costs than with quality—and safety—of service. There will also be allegations that the system is close to breakdown because investment in equipment has not kept pace with a boom in passenger numbers." One key

criticism, stresses the *Financial Times*, will be that the Underground is a victim of "government unwillingness to countenance investment in public transport infrastructure. The number of staff running the Underground has fallen by more than 3,000 over the last five years and by nearly 1,000 in the last 12 months." While passenger usage has gone way up, management has "pursued cuts in unit costs," such that "operating expenditure is down from a peak of \$345 million in 1984-85 to \$319.6 million last year."

'Pray there won't be a fire'

The most devastating revelations came out of the *Daily Express* of London Nov. 20, which reported in a front-page exposé that London's transport chiefs knew the Underground network was a fire trap long before the Nov. 18 disaster, "but they ran out of cash before a secret operation to reduce hazards could be completed—and gambled against disaster happening before new funds became available." A senior London Regional Transport official told contractors several weeks ago, "It's a gamble but we just have to pray there won't be a fire until March 1988, when we can start spending" on a special hazard-reduction system again. The night after the Nov. 18 disaster, an LRT spokesman said, "The fire-breaks are a long-term program which because of domestic budget arrangements we had to postpone. But we do intend to continue with it when we have the funds." A senior LRT figure told the *Express*, "If we had unlimited funds, we would have done a major renovation on fire safety. But we were stretched for cash, and did the best we could with what we had."

LRT officials claim that money has had to be diverted into fighting muggers and vandals, and on more automatic ticket machines, to reduce staff, the *Express* reported.

An unnamed contractor told the paper, "We were told not to talk about this job. If the passengers knew how big the fire risks were they would never set foot in an Underground station again." The *Express* noted that passengers groups' demands for specially built fire exits had begun as long ago as 1904! It commented that "cost-cutting means fewer staff to help passengers, fewer cleaners to clear growing piles of rubbish, and fewer hands to save people in an emergency."

One non-British observation came from the *Wiesbadener Kurier* (West Germany) Nov. 20, which pointed to the incredible obsolescence of the British Underground infrastructure; indeed, on the continent, the kinds of wooden structures one sees in London stations have long ago been replaced by modern equipment. The *Kurier* charged that the obsolescence was a function of the economic ideology of the government, which "sees public services as a nuisance," and pays no attention to maintaining them.

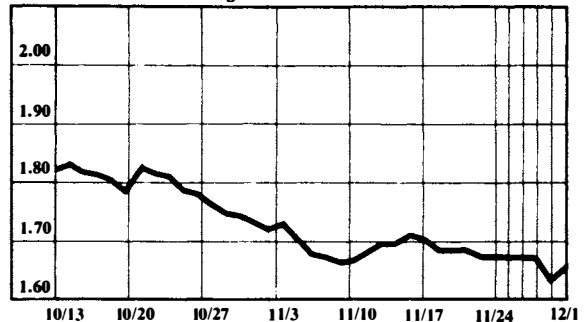
Writing in the arch-Establishment *Times of London* Nov. 20, University of London Professor Emeritus of Economic History Theo Barker, stressed the "urgent need for a bolder modernization program."

"The disastrous King's Cross fire," he wrote, "is not only a dreadful loss; it is also an awful warning."

Currency Rates

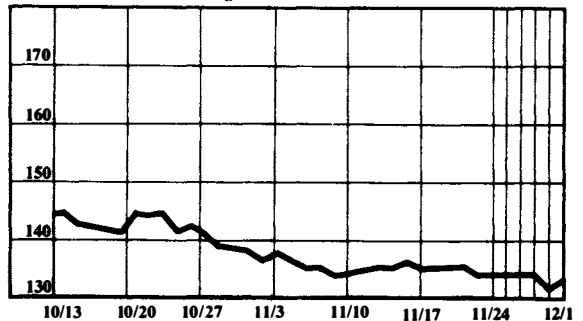
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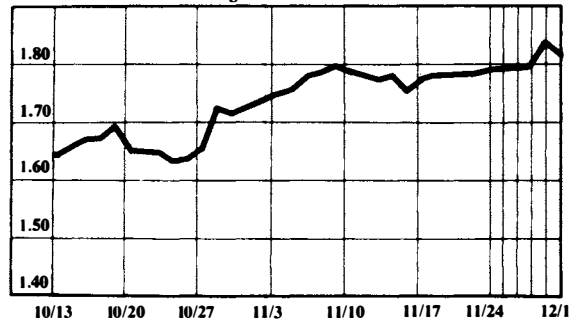
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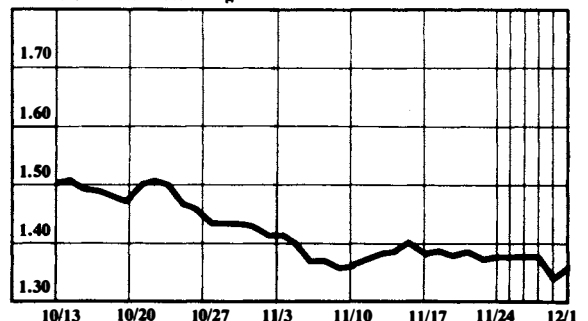
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The dollar in Swiss francs

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Pravda relishes U.S. 'internal weakness'

Before Soviet General Secretary Mikhail Gorbachov departed for the United States, he received the findings of a preliminary study of the Black Monday stock market crash, conducted by the Institute of World Economy and International Relations (IMEMO). I. Korolyov, deputy director of this leading Moscow think tank, summarized the findings in a Pravda article printed Nov. 23. The following is a translation of Korolyov's assessment of the possible "dead end" the U.S. economy has reached. As Gorbachov goes to procure Washington's signature on the military decoupling of Western Europe from the United States, his advisers at IMEMO find reason to gloat, as well, about American treatment of its allies in the economic realm.

For a month now, business and political circles in the West have been furiously studying the causes and consequences of "Black Monday," Oct. 19, when a record drop in stock prices occurred on the New York Stock Exchange. After New York, this wave rolled on from London and Zurich to Tokyo and Hong Kong. The devaluation of shares of American corporations, quoted on the New York exchange, was approximately \$500 billion, and on the stock exchanges of the whole world—\$2 trillion.

At the root of the stock market crash lie both purely speculative factors, and deeper reasons, connected with serious structural difficulties experienced by the entire financial system of the West, above all the giant swelling of all forms of indebtedness, which has enmeshed all the basic links of the capitalist economy. Thus, in the U.S.A., for example, the total volume of all types of indebtedness (corporate, farm, individual, and government internal and foreign debt) exceeds the gross internal product of the country by two-and-a-half times. Such indebtedness makes it possible to maintain the growth of the American economy, and to soften the economic disproportions which have arisen, including those connected with huge military expenditures. But there is a flip side of the coin: the uncontrolled shifting of astronomical sums of all sorts of financial assets and the loss of confidence in the reliability of the financial mechanism. . . .

The stock exchange, where various sorts of commercial paper is bought and sold, primarily shares of corporations, occupies an important place in the financial system of capitalism, although in the postwar period it has been noticeably eclipsed by other financial institutions—banks, investment and pension funds, insurance companies, etc. . . . The majority of corporations, in one way or another, resort to the services of the stock exchange. Distributing their shares among hundreds of thousands of small and medium-sized holders, corporations attract necessary monetary resources, leaving a portion of the shares in their own hands in order to maintain control of the enterprise. Stocks are widely used as collateral for obtaining bank credit. . . .

The stock markets . . . are an arena for speculative operations. . . . In the last five years, the New York stock market was dominated by a tendency to rise, which was inclusively thanks to a massive inflow of capital from abroad. As a result, in August 1987, the price of American shares exceeded by 20 times the average annual level of earnings. This is approximately one-third higher than the "normal" level. The removal of the prices from their real basis created the preconditions for its sharp decline. . . .

U.S. at a 'dead end'

One thing is for sure—behind the events on the stock exchanges there are serious economic and political processes at work. The analysis of the situation, carried out at the Institute of World Economy and International Relations, permits us to make, in particular, the following preliminary conclusions.

First of all, the stock market panic advertises the fact, that the longest peacetime upsurge in the postwar period, in the U.S.A., is accompanied by substantial internal weaknesses. Having become the biggest debtor in the world, with a huge federal budget deficit and foreign trade deficit, the U.S.A. has fallen into an extraordinarily difficult situation, in many respects a dead end. To a certain extent, the American administration is interested in low interest rates and a further decline of the rate of the dollar, in order to support economic growth and raise the competitiveness of American exports. This, however, is fraught with the danger of a massive outflow of foreign capital, an acute worsening of inflation, and a final blow to confidence in the dollar as the key international currency.

Secondly, the stock market crisis has sharply aggravated contradictions between the U.S.A. and Japan and Western Europe. America's partners are more and more insistently demanding from the Reagan administration immediate measures to restore order in the America economy, above all to reduce the federal budget deficit. On its part, the U.S.A. insists that Japan and the West European countries, above all the Federal Republic of Germany, take steps to stimulate their economies and increase their purchase of American products. Such measures, they hope, will help the U.S.A. reduce its foreign trade deficit and stabilize the dollar.

Industry seeks a new chancellor

Since Kohl has nothing to offer economically, industrialists are looking around for a new government.

Minister of Finance Gerhard Stoltenberg is feeling the impact of industry's mounting critique of his policy. He is specifically upset about prestigious industrialists like Edzard Reuter (Daimler-Benz) and Eberhard von Kuenheim (BMW), who have mocked his "recovery" propaganda and publicly warned of a new "1929-style world economic depression."

The former minister of economics, Otto Graf Lambsdorff, a gray eminence of politics here, joined the critics on Nov. 26 during a heated parliamentary debate on the 1988 budget. He called Stoltenberg's supposed trump card, the January 1987 Louvre accord, on currency exchange rates among the Group of 7 industrial nations, "dead as a corpse." This caused the minister of finance to lose control: "Spokesmen of the so-called big companies most of all," he whined, "are the ones who refuse to notice the uncontested positive trends in the economic conjuncture."

Citing the same economic advisory council whose forecasts over the past 10 years have been wrong, Stoltenberg bragged about the "broad support for this government in the country." The industrialists shot back: "Stoltenberg refuses to notice that the economy is heading for a deep recession."

This verbal exchange is typical of the debate that the "Black Monday" crash has provoked in Germany. More than these attacks, what makes Stoltenberg and the staunch austerity faction he represents really nervous, is

the centrifugal effects on the country's industrial elite. This extends to ranking members of the austerity faction, like Count Lambsdorff, and is permitting a new faction to emerge, combining prominent names in banking and industry who want to quit Stoltenberg's austerity regime and only lack a coherent program for economic recovery.

Lyndon H. LaRouche addressed the new faction with a "letter to German industry" on Nov. 29—a document attracting great attention. LaRouche's warning in that letter against the danger of a return to Nazi Economics Minister Hjalmar Schacht's make-work programs, was right on the mark. On Dec. 1, the government announced plans for a "conjunctural injection" of 21 billion deutschmarks to help smaller companies and finance unprofitable projects of "environmental protection."

The program was promptly attacked by spokesmen of the new anti-austerity faction as "mere window-dressing, not a response to the crisis." The chairman of the German Industry Association, Tyll Necker, denounced the program as "repetition of mistakes already made before," namely, between 1979 and 1981. The highly indebted municipalities rejected the program because it offered new credit only for projects that would eventually make the cities look nicer, but not increase their tax base.

Otto Graf Lambsdorff mocked the government's program as "something that the whole world will laugh at,"

and stated that "the situation of the current government resembles, in many ways, the situation of the previous government before its fall in 1982."

This message was clear. Chancellor Helmut Kohl is walking in the footsteps of his predecessor, Helmut Schmidt, whose government copied former U.S. Federal Reserve Chairman Paul Volcker's high interest rate policy of late 1979, and was soon facing a collapse of the German economy. Undecided whether to follow the pro-austerity faction then around Lambsdorff, or help an industrial recovery by lowering interest rates generally, Schmidt resorted to a similar "conjunctural injection" of 6.3 billion deutschmarks in 1981, which had no positive effect at all.

First, only half of that program went into effect, because rising interest rates made private companies and the municipalities hesitant to borrow new money for unproductive projects. Second, the program neither halted the ongoing destruction of productive jobs, nor created a significant number of new jobs. Third, most of the jobs created were only temporary ones. Fourth, municipalities and entrepreneurs that decided to borrow new money, only increased their bad debt.

Only one year later, the bell tolled for Schmidt's socialist-liberal government coalition, when industry was hit by an alarming rate of insolvencies, and the national jobless rate reached a postwar record of 2.4 million. Helmut Kohl replaced Schmidt in October 1982, with the promise of "recovery."

Five years later, Kohl's economic program is a copy of Schmidt's effort of December 1987, and the unemployment rate is still the same. The criticism by leading industry managers indicates that they are looking for a new government in here, and that means a new chancellor.

Colombia shuts down production

The bankers' "good boy" in Ibero-America is fallen on hard times; will the drug traffickers reap the reward?

The Barco government in Colombia, which has always prided itself on its punctual debt payments and its facility in submitting to International Monetary Fund dictates without so much as signing a letter of intent, is feeling a bit crumpled lately. After years of claiming the position of "the good boy" caught "in a bad neighborhood," Colombia is currently in the process of mugging itself, to satisfy the international creditor community.

When Colombia first contracted a "jumbo" loan, approximately \$1.06 billion, from its international creditors, it was viewed as but a first installment in financing President Barco's ambitious program for combating "absolute poverty." As 1987 progressed, however, and Colombia's foreign debt-export ratio rapidly approached 50%, that loan was converted into the means for meeting foreign debt payments on such critical state sector activities as electricity, oil, and coal. By November, it was understood that the loan would go in part to meet the state's wage bill for the month.

It was then that the creditors' turned the tourniquet. Rumors that French and Japanese banks had pulled out of the "jumbo" loan package, later denied, caused a delay in approval and disbursement of the loan until "sometime" in 1988. Pressures—both domestic and foreign—began to build on the Barco administration for a renegotiation of the foreign debt; Colombia is the only Ibero-American country to have resisted a debt restructuring.

A glimmer of reality finally seeped into the Colombian economic cabinet, with Finance Minister Luis Fernando Alarcón forced to admit, "We must take some temporary measures to be able to attend to or finance certain aspects of public investment, that require resources at the very beginning of the year." He added that he was hopeful that "we are able to handle the situation without introducing traumas. . . ." The Colombian Congress is currently in the process of approving a finance ministry request to expand the public wages portion of the 1987 budget by approximately \$100 million.

Then, the IMF upped the pressure, demanding that the Barco government make still further sacrifices to bring the economy within the Fund's "acceptable" guidelines, and presumably, to qualify for that increasingly intangible "jumbo." On Nov. 26, the manager of the Colombian central bank, Francisco Ortega, wrote a letter to every banking institution in the country, requesting their abstention from issuance of any new credit until further notice. Ortega's letter cited the "unacceptable" 33% annual growth rate in the money supply as the reason for his request. The Barco government had promised the IMF that growth of the money supply would not exceed 27% in 1987.

Significantly, Ortega's letter made no mention of the central bank's infamous *sinister window*, where dollars of undeclared origin—the majority of them from the drug trade—are exchanged for pesos, no questions asked.

Ironically, the central bank's unprecedented "recommendation" to turn off the nation's credit spigots will drive the economy solidly into the arms of the very drug traffickers who are currently inflating it. Eliseo Restrepo, the president of Colombia's Agricultural Society, denounced the finance ministry's policy of cutting off development credit, warning that productive "investment in the countryside will end." The Colombian Chamber of Construction has reported that money coming through the central bank's "sinister window" is going into mass purchases of real estate, a classic money laundering technique.

The former head of the Latin American Banking Federation (Feleban), Fernando Londoño Hoyos, described the problem in a nutshell:

"The decision of the government to suddenly and totally contract credit is absolutely irresponsible. Credit is a source of working capital that operates normally in any civil society. Serious businessmen plan their operations on the basis of their own resources, plus the quota of indebtedness they have contracted. To shut this off from one moment to the next will place thousands of companies in an emergency, feeding speculation, encouraging non-bank credit, rewarding the foreign exchange black market and, finally, removing from the productive sector all confidence in normal business procedure."

All of this, concludes Londoño, "will lead the resources originating in the drug trade to link themselves somehow to the economy."

The Barco government, currently in the throes of a political battle over whether to extradite cocaine kingpin Jorge Luis Ochoa to the United States as the first salvo of a renewed anti-drug war, will lose without firing a shot if its economy remains under IMF "guidelines."

Business Briefs

Foreign Debt

Philippines 'bleeding to death,' says official

The Philippines "are being asked to bleed to death," that country's economic planning secretary, Solita Collas-Monsod, told a recent conference sponsored by the *International Herald Tribune* in Singapore, the newspaper reported Dec. 2. "The Philippines can only attain stability and sustainable growth if two conditions are met. . . . reforms that will allow the most efficient use and equitable distribution of resources; and our creditors and aid sources consent to lighten the burden of servicing the foreign debt sufficiently to leave us enough resources for domestic use and distribution. . . .

"For 1986 and 1987, everyone highlighted the fact that we would be receiving \$2.7 million, all from official sources. No one seems to have noticed that we would, in the same period, be paying out \$5.7 billion to official and private creditors. . . .

"Let me set the record straight," the secretary continued. President Aquino "has repeatedly said that growth will take precedence over debt. Our government is committed to honoring its obligations. But if we do not have enough resources, we cannot pay. And without growth, there may not be anybody left in the Philippines to honor the debt."

Labor

Mexican unions ready general strike

The Mexican government has rejected labor's demands for wage increases in the wake of a recent currency devaluation, and the trade unions are responding by preparing strikes on a broad front, to culminate in a general strike.

After meeting with representatives of employers and the government, who rejected his demands, Fidel Velazquez, head of the umbrella Congress of Labor and of the Workers Confederation of Mexico (CTM), announced that trade unions across the

country would begin filing strike plans with the government Dec. 2, and would stage a general strike Dec. 15 at 12:00 p.m.

Representatives of labor demanded a 46% increase in wages, retroactive to Nov. 18, to compensate for the loss in purchasing power caused by the peso devaluation. "We do not accept the government's point of view, but it won't be a cause for breaking with them," Velazquez told the media. He presented an eight-point document, asking for increases in wages each time there is a devaluation.

Before the meeting between Velazquez, the employers, and government representatives had begun, Secretary of Labor Arsenio Farrell, speaking for the government, had already announced that the devaluation would not be revoked, strict exchange controls would not be imposed, and an emergency salary increase would not be granted. All major newspapers carried an ad from the secretary, addressed to Velazquez, stating those points. It added that labor should wait until January, when normal bargaining could take place.

Colonialism

Wright endorses debt-for-equity

Rep. Jim Wright, Speaker of the House, has endorsed New York bankers' schemes to impose debt-for-equity programs on Third World debtor-nations. Under the various debt-for-equity packages dreamed up by the bankers, countries are essentially told that, since they can't pay their debt, they should give banks their country instead.

In a speech in Miami Nov. 30, Wright told the 11th Annual Conference on the Caribbean that developing nations in that region should think about trading debt for equity to resolve their debt crises.

His variant on the scheme: "The idea would be to encourage foreign lenders to exchange non-performing government loans in state-owned companies for equity in those companies, with the agreement to sell or transfer a substantial portion of that equity to an employee ownership trust," said Wright.

"What better way to promote the advan-

tage of capitalism than by spreading its base, letting the workers have a piece of the action."

Banking

Bank of England wants bank capital standard

The Bank of England has been pushing for an international accord to make bank-capital requirements uniform, and this will probably be a lead item at an upcoming central bankers' meeting. Bank-capital requirements represent the ratio at which any banking institution may lend out against capital—currently different in different countries.

West Germany has been opposed to such an accord, because the agreement proposed is modeled on a U.S.-British accord which set standards lower than Germany's own. It would thus require Germany to *lower* its standards—considered a dangerous move given the likelihood of a new wave of financial collapse.

France has joined Germany in objecting to the proposed accord, for its own reasons. The French, on the contrary, do not consider the standards low enough, and want to relax the definition of capital to include loan-loss provisions.

These objections first surfaced Nov. 9 at the Group of 10 meeting of central bank governors in Basel, Switzerland.

Since France and Germany object for opposite reasons, it seems unlikely they will form a bloc to prevent eventual passage of an accord.

Science

Report medical spin-off of SDI laser

The free electron laser, under development as part of the President's Strategic Defense Initiative (SDI) program to shoot nuclear missiles out of the sky, will also see use as

a weapon in the medical battle against cancer. That was the topic of one scientist's address to the 73rd Annual Conference of the Radiological Society of North America in Chicago.

Dr. John Madey, a professor of electrical engineering and high energy physics, told the conference Nov. 29 of the medical potential of the laser. Because of its precision targeting capability, if used to treat malignant tumors, the laser would pose less risk of damage to underlying healthy tissues than any current surgical techniques.

Dr. Madey also predicted that use of the laser for removal of gallstones and kidney stones could begin in a year or two.

"Unlike conventional lasers, which work at fixed wavelengths, free electron lasers can be tuned to any wavelength across the infrared and visible spectrums," Madey told his audience. This capability, he said, "clearly offers opportunities for reduced pain and trauma" in treatment of cancerous growths, fractures, and other medical conditions.

"By using the free electron laser with the carbon dioxide laser, you could reduce surrounding tissue damage to a single layer of cells," Madey said.

Foreign Exchange

Feldstein wants to let dollar drop

America's trading partners have mounted a push for a Group of 7 meeting that would be devoted to finding means to stabilize the U.S. dollar on the world's currency markets, but the former chairman of the President's Council of Economic Advisers, Harvard economics Prof. Martin Feldstein, is adamantly opposed to any defense of the U.S. currency's value.

Feldstein, in a commentary in the Dec. 1 *Wall Street Journal*, "Budget Card Tricks and Dollar Levitation," called the \$30 billion budget cut recently agreed to between the White House and Congress a farce, since only about one-half that amount will actually be cut.

The budget package "contains so many phony savings," he stated, that it will give the Europeans an excuse to try to "cajole the

U.S. into a new G-7 accord to stabilize the dollar by pushing up U.S. interest rates." This, in turn, would threaten the American "recovery," he asserted.

The Europeans, he also asserted, are only interested in stabilizing the dollar so that the United States will not cut further into their markets.

What "recovery" he was talking about never became clear. Moreover, since the United States no longer produces anything appreciable to export, what markets the United States is cutting into with its falling dollar value also never became clear.

'The Trust'

German Trilateroid facing bankruptcy

One of Germany's most powerful business figures is facing rapid loss of the power he has enjoyed throughout much of the postwar period.

Otto Wolff von Amerongen, a leading German member of David Rockefeller's Trilateral Commission and a key figure in those East-West financial-political arrangements dubbed "The Trust" by Soviet intelligence officials, is facing both a corporate bankruptcy and personal scandal.

The Otto Wolff Corp. has run into very deep trouble and will probably soon file for what is called a Chapter 11 bankruptcy in the United States—protection from creditors during reorganization. The company's troubles began when banks, in the wake of the recent stock market crashes, withdrew earlier commitments to stabilize a bankrupt subsidiary, Bremen Weserhuetten.

On the personal side, Otto Wolff is said to be ill, and it was recently announced that he would not seek another term as president of the German Industry and Trade Association (DIHT), a post he has held for many years. He is known to have lost much of his popularity with German industrialists—in part because he is too pro-Soviet.

Finally, a court in Cologne has fined Otto Wolff 600,000 deutschemarks, after finding him guilty of illegal financial contributions to the pro-Soviet Free Democratic Party, and of tax evasion in an amount between 1 and 2 million deutschemarks.

Briefly

● **DOCTORS** at the All-India Institute of Medical Sciences have isolated the AIDS virus from blood samples of Indians for the first time.

● **SUDDEN DEATHS** have hit the ranks of leading German business figures. On the evening of Nov. 27, Gerhard Burk, 61, co-chairman of Deutsche Bank and president of the Baden-Württemberg Stock Exchange, was stabbed in the stomach with a hunting knife by his former lover. On Nov. 22, Armin Gutowski, 57, longtime director of the Hamburg World Economic Studies Institute (HWWA), died of a heart attack.

● **FEDERAL AVIATION** Administration officials have issued a report siding with Eastern Airlines' employees' charges that the company has routinely employed equipment that does not meet safety standards. Eastern has put off needed maintenance and exerted "subtle pressures" on flight crews not to record equipment malfunctions. This practice "could be considered a safety hazard," the FAA report said.

● **THREE PATIENTS** have died from illnesses caused by the HIV-II virus in West Germany; 23 others are known to be infected with this AIDS-type virus. Lutz Guerler, head of the laboratory at the Max von Pettenkofer Institut in Munich, stated that the AIDS test in use today reacts to HIV-I antibodies, but does not react to the antibodies to HIV-II.

● **ALAN GARCIA**, the President of Peru, was "the great winner" at the Acapulco summit of Ibero-American presidents, argues Brazil's *O Estado* newspaper. "It was he who established the system in which only that [foreign debt] is paid which can be paid, in which the debtor determines the value that is indispensable to retain to assure a sustained development." The summit, said the paper, made this practically a matter of international law.

Lasers approach take-off for industrial applications

Charles B. Stevens reviews how laser capabilities have become overripe for a broad revolution of industrial technology. Part I of two parts.

While the laser was first realized a little over a quarter-century ago, it is only in the last few years that this technology has reached the level required for widespread practical application to industry.

In fact, through a combination of continuing advances in demonstrated laser capabilities in the inertial confinement fusion energy R&D program and a series of major breakthroughs by the Strategic Defense Initiative program for developing defenses against nuclear-tipped missiles, laser capabilities have become even a little overripe for a broad-based revolution of industrial technology.

From the standpoint of the 21st century, the decade of the 1990s will be seen as the initiation of a second industrial revolution—if Americans have the courage and prescience to grasp this opportunity for economic revitalization and reindustrialization. Simply put, existing and emerging laser technology today promises to make it the “steam engine” of the 21st century.

Lasers transform more incoherent forms of energy into coherent beams of light. These coherent beams of light can be readily and efficiently transmitted and focused through a wide variety of media over great distances. The laser beams can be easily focused to power densities trillions of times greater than industry’s current utilization.

Because of its coherence and ability to be focused, one and the same laser beam can be readily applied to an extremely wide range of applications. For example, applications range from the most delicate of medical operations, such as the removal of cataracts of the eyes and angioplasty to remove blockages within the heart’s arteries, through to optical-based communications and computer storage and processing of information, the forming and finishing of materials, and the generation of the super-high stellar densities,

pressures and, temperatures needed to ignite thermonuclear fusion for energy production.

Lasers can also be tuned to precisely the right wavelength to get the job done. In many cases, this means that the laser energy can directly and efficiently be coupled to the atoms and molecules to be processed.

In very general terms, lasers will be the “transformer-electric motors” of the 21st century. With the development of electromagnetic induction, in the 19th century, industry realized the capacity to take various forms of mechanical and thermal energy and transform them into electrical currents. These electrical currents could then be efficiently transmitted over long distances and conditioned through the action of transformers to provide virtually any desired power density of electrical or mechanical power required for a particular industrial process.

Lasers take this process one step further. In this case, the electric currents can be transformed into coherent electromagnetic waves. These waves can then be efficiently transmitted, tuned, and focused to even greater power densities than those made available by electric transformers.

But beyond simple measures of efficiency and power density, lasers offer an entirely new universe of “quantum of action.” Because of their coherence, lasers can be tuned to interact with specific atoms and molecules—even with specific electron orbitals within an atom or molecule. This means that lasers can accomplish a far greater variety of tasks, with a much higher degree of discrimination than simple electricity.

The perfect laser would have the following characteristics. It would operate at both extremely high efficiencies and average power levels at a minimum of capital and operating costs; it would be capable of reaching even the short ultravi-

olet end of the electromagnetic spectrum and be tunable over a wide range of electromagnetic wavelengths.

At present, such an ideal laser does not exist. But with the rapid development of the free electron laser, it is in the near future. In the meantime, existing laser technologies have been developed sufficiently to access a wide portion of these desired capabilities. In the following report, we will review the status of these laser technologies.

Current applications of lasers

Tables 1 and 2 review the projected numbers and costs for commercial lasers produced in the world in 1986 and 1987 outside the Communist bloc. Table 1 gives the number of lasers of a particular type for each of the two years and the major areas of industry the laser system was applied to, such as materials processing, therapeutic medicine, diagnostic medicine, scientific research and development, applications to the printing industry, optical memories (primarily for compact disc players), communications, universal price code scanners, alignment and control, test and measurement, and entertainment. Table 2 gives the total projected sales for each type of laser and application for 1986 and 1987.

Carbon-dioxide (CO₂) gas lasers currently dominate commercial industrial laser applications. In 1986, 1,300 CO₂ lasers were sold in this category. The largest and fastest growing segment of CO₂ laser applications is for 0.1-2 kilowatt systems. But this is primarily true for Japan—not the United States—where almost three-quarters of them were made and sold for small-job shops that perform contract machining for automobile and other manufacturers.

The number of high-power CO₂ lasers, in excess of 2 kilowatts, produced in the United States did increase in 1986. These lasers find their greatest uses in welding, followed by cutting and drilling.

In 1986, 890 solid-state lasers were sold for industrial applications; 200 of these were valued at \$25,000 each; 300 of these solid-state lasers were for metalworking; and 390, valued at an average of \$20,000 each, were for the electronics industry.

Production of ion and excimer lasers for industrial applications is at an early stage. Total sales in 1986 were about \$1 million for each kind.

Half of the industrial ion lasers are ultraviolet water-cooled models that the electronics industry uses to fabricate integrated circuits.

Laser production and sales for scientific research and development have continued to grow at about a 12-15% rate each year. As the tables show, a wide range of lasers is used in R&D.

Therapeutic medicine laser production increased 18%. These lasers are used in a variety of surgical procedures, ranging from neurosurgery to podiatry. The primary lasers used in this area are the Nd:YAG (neodymium-doped yttrium iron garnet) and CO₂. Ophthalmology made the greatest use of lasers, roughly 1,100 ion lasers and 850 pulsed Nd:YAG

lasers. The Nd:YAG application to ophthalmology is recent, and the rapid growth of Nd:YAG lasers in this area of therapeutic medicine is due to the decrease in system costs. It is projected that half the world's 14,000 ophthalmologists will begin using lasers once the cost per system falls below \$40,000.

Most of the 1,000 ion lasers used in therapeutic medicine are used for surgery, as are 1,200 CO₂ lasers. Carbon-dioxide lasers are chiefly used in obstetrics and gynecology, but other types of medical applications are in neurosurgery, podiatry, and dermatology. In the fastest-growing application, endoscopy—with a threefold increase since 1983—only the continuous-wave Nd:YAG is so far being applied. In Europe, helium-neon (He-Ne) and the diode laser have been applied to bio-stimulation and wound-healing therapies.

In diagnostic medicine, He-Cd (helium-cadmium), He-Ne, ion, and dye lasers are the chief systems being applied. The He-Ne laser is utilized for patient alignment in large computer tomography scanners and other diagnostic x-ray devices. Ion lasers are being used for cell sorting and counting. And while argon lasers have been used in this way for some time, it is only now, with the introduction of air-cooled systems, that they are being applied clinically and no longer are limited to medical research. Screening for AIDS virus is a major potential application of this technology. Among the new applications recently being developed are the use of ion lasers in research for reading DNA sequences. A single strand of DNA is "read" through a complex process involving laser-induced fluorescence.

As with the development of the transistor, in today's service sector-oriented economy, new technologies first proliferate through simple consumer applications such as the transistor radio and recording devices. In the case of optical memories, this has occurred through development of laser printers and compact disc players. While many types of lasers are used for printers, the most explosive has been growth in the diode laser, which is also applied to compact disc players.

Overall, it must be recognized that while the above aggregate figures look large, they represent world production, while the actual per capita figures are quite small. The laser industry is still in its infancy.

General requirements for laser applications

Laser requirements vary widely among specific applications. Practical systems require a large range of wavelengths, output powers, spatial and temporal beam characteristics, and other features. In almost every application, however, the following is required:

- 1) an optimal wavelength;
- 2) minimum power level;
- 3) minimized capital and operating costs of the laser;
- 4) size and weight constraints must be met;
- 5) operation for extended periods of time with little maintenance;
- 6) the laser output should have specific temporal and

TABLE 1

Worldwide commercial laser production 1986-87
 (By unit)

	CO ₂		Solid-State		Ion		Diode	
	1986	1987	1986	1987	1986	1987	1986	1987
Materials processing	1,300	1,400	890	1,000	90	135		
Therapeutic medicine	1,200	1,450	1,020	1,200	2,100	2,500	1,045	1,254
Diagnostic medicine					650	1,100		
R&D	436	480	804	930	800	950	9679	11,614
Printing					5,500	5,000	432,000	1,400,000
Platemaking					140	140		
Color separation					5,000	5,200		
Optical memories					130	250	9,100,000	14,500,000
Communications							45,000	45,000
Barcode scanners							6,000	10,000
Alignment & control							13,000	15,000
Test & Measurement	25	27	27	30	200	250	4,700	5,405
Entertainment					250	320		
Total commercial	2,961	3,357	2,741	3,160	14,860	15,845	9,611,424	15,988,273

spatial characteristics.

At present the ideal laser that meets all these characteristics for every application does not exist. (Though we should make note that the rapidly developing free electron laser does have promising potentials to meet the requirements of such a universal laser machine.) Systems designers must evaluate trade-offs between alternative sources when selecting a laser for a particular application. If a new source allows attainment of new operating wavelengths, higher output powers, lower

cost, smaller size, better beam characteristics, or improved combinations of these factors it is likely to find use in practical applications.

Figure 1 diagrams the major components of a laser system. These consist of an optical gain medium, a pumping system for exciting this medium, an optical system for repetitively directing the beam through the gain medium and controlling its spatial and temporal characteristics, and a cooling system for the removal of waste heat—energy which is not

TABLE 2

Worldwide commercial laser production 1986-87
 (In \$ millions)

	CO ₂		Solid-State		Ion		Diode	
	1986	1987	1986	1987	1986	1987	1986	1987
Materials processing	82	88	37	40	1.3	1.9		
Therapeutic medicine	18	21	21.4	25.2	26.5	31.2	.3	.4
Diagnostic medicine					8.10	11.1		
R&D	9.9	11.2	25.4	28	20.20	23.5	4.8	5.8
Printing					7.50	7	2.6	8.4
Platemaking			.5	.5	.60	.6		
Color separation					13.50	14		
Optical memories					1.90	3.6	72.8	87
Communications							36	27
Barcode scanners							.05	.06
Alignment & control							.55	.6
Test & measurement	.3	.4	.3	.3	3.90	4.7	3.9	4.4
Entertainment					2.10	2.7		
Total commercial	110.2	120.6	84.6	94	85.6	100.3	121	133.6

He-Ne		Dye		Excimer		He-Cd		Totals	
1986	1987	1986	1987	1986	1987	1986	1987	1986	1987
				36	77			2,316	2,612
8,000	7,000	45	60						13,464
9,500	11,000	20	35			50	70	10,200	12,205
14,000	15,000	660	740	440	495	400	450	27,219	30,659
37,000	45,000					950	800	475,450	1,450,800
								140	140
400						80	85	5,480	5,705
						220	260	9,100,350	14,500,510
90	90							45,090	45,090
110,000	125,000							116,000	135,000
16,000	17,000							29,000	32,000
30,000	34,000	85	85			250	280	35,287	40,077
2,500	2,600	25	25	2,775	2,945				
227,490	257,110	835	945	476	572	1,950	1,945	9,862,737	16,271,207

converted into the output laser beam.

Advances in laser technology can involve either identification of new gain media or improved engineering of other components with known gain media. Three essential parameters for any new laser are 1) spectral characteristics—that is, the laser wavelength and its coherence; 2) system efficiency—the percentage of pump energy that is converted to laser beam output; 3) power scalability.

Research into the spectral characteristics of a laser iden-

tify the output wavelength of the device and the extent to which it can be varied. Most applications require light at a specific wavelength and sometimes within a specific spectral band. Wavelength is one of the primary parameters that determine the utility of a particular laser. Many applications, such as remote sensing and spectroscopy, require that the wavelength of the laser be tunable, and in general, wavelength tunability increases the number of applications a laser may be used for.

He-Ne		Dye		Excimer		He-Cd		Totals	
1986	1987	1986	1987	1986	1987	1986	1987	1986	1987
				1	1			121.3	131.7
1.4	1.2	1.1	2					68.7	80.95
2.4	2.7	.5	.3			.25	.35	11.25	14.45
5.4	6	27	31	18.3	20.2	2.3	2.6	113.3	128.3
14	17					1.6	1.3	25.7	33.7
								1.1	1.1
.09	.095					.2	.2	13.79	14.295
						.7	.8	75.4	91.4
.05	.05							36.05	27.05
9.4	10.5							9.45	10.56
1.8	1.9							2.35	2.5
8.1	9	2.3	2.3			1	1.1	19.8	22.2
1.2	1.2	.3	.3					3.6	4.2
43.84	49.645	31.2	35.9	19.3	22	6.05	6.35	501.79	562.4

Efficiency—the ratio of average laser output power to the average input pumping power—strongly influences the ultimate size, weight, capital cost, and operating cost of a laser. The size, weight, and capital cost of a laser are largely determined by its pumping and cooling systems. For a given average output power, the pumping power delivered to the gain medium and heat removed from the medium must be minimized if the overall size, weight, and cost of the laser are to be minimized. Consequently, an efficient laser is likely to be smaller, lighter, and less expensive than an inefficient one.

Power scalability—the feasibility of scaling a laser to achieve higher power levels—is a crucial parameter that determines the range of applications of a particular laser. Most applications require some minimal optical power flux density. With enough engineering effort, almost any laser can be scaled to high power levels. However, some devices are much more easily scaled upward than others. Optical damage processes, parasitic oscillations, energy storage times, excitation homogeneity, cooling limitations, and a host of other factors influence the ease with which high power levels can be obtained from a device.

Semiconductor diode array lasers

In the red and infrared portions of the spectrum, semiconductor diode lasers, with efficiencies in the 30-50% range, are the most efficient of all coherent optical emitters. They have the potential for extremely long operating lifetimes, which is associated with solid-state electronic devices, and are intrinsically compact. A great drawback, however, has been their relatively low output power. A good semiconductor diode laser of conventional design is typically capable of an average output of only a few tens of milliwatts. This limit is imposed by optical damage and heat dissipation problems.

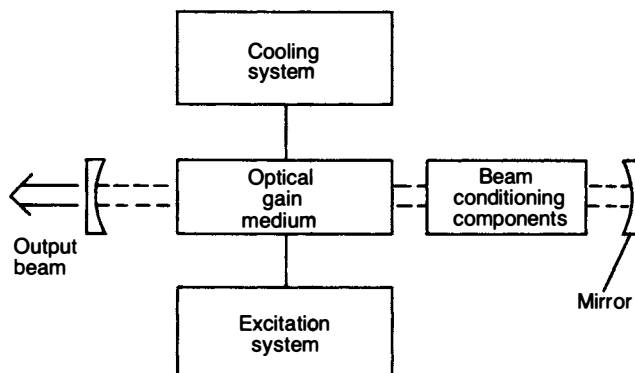
The active region of a diode laser lies at the p-n junction (see **Figure 2a**). Electrons and holes are injected into the junction region when forward current is passed through the diode. Their recombination gives rise to optical gain, and facets created by cleaving the semiconductor crystal act as mirrors for the laser structure. The junction region typically consists of several thin layers that differ in composition or doping and act to confine both the injected carriers and the emitted radiation.

The thickness of the active region, typically a few tenths of a micron, is limited by heat dissipation constraints and by the kinetics of the injected electrons and holes. Its width is determined by the current distribution through the plane of the junction and can be controlled by using photolithographic techniques to define a stripelike conducting channel leading from the exposed metal contact electrode to the junction region. Thus, the optically active region is defined by the thickness of the junction region, the width of the conducting stripe, and the distance between the two reflecting facets.

When the width of the active region is of the order of an optical wavelength, the laser tends to operate in a single,

FIGURE 1

Block diagram of a laser, showing major subsystems



The core is a optical gain medium, such as neodymium-doped glass. This is pumped by an excitation system, such as flashlamps as in the neodymium glass laser. The optical gain medium usually must be simultaneously cooled. Various optical beam conditioning systems are used to maintain the quality of the laser beam output. Mirrors are used to reflect the laser beam many times through the optical gain medium in order to extract as much energy as possible before the beam is output.

low-order transverse mode, and transverse intensity variations in the optical output beam are minimized. Power output from a narrow-stripe device is roughly proportional to drive current, but is limited by optical damage to the reflecting facets at average power levels of a few tens of milliwatts per micron of stripe width. As the width of the stripe is increased, however, the spatial quality of the output beam decreases, and in junctions more than a few tens of microns in width, the output of the device can be in the form of almost independent beamlets which are not completely coherent with each other. These effects limit the output power of individual diode lasers to levels substantially below those needed for a number of applications.

In recent years, researchers have developed new diode laser geometries. One of these is shown in **Figure 2b** and utilizes an array of narrow-stripe diode lasers, which are coupled together so that the individual sources are mutually coherent. The output beam from this device exhibits lower divergence than would be obtained from a single stripe, but contains the optical emission of all of the stripes. The array thus emits as a single high-power diode laser with good beam quality. These new geometries for diode lasers are expected to make higher power outputs practical.

Tunable solid-state lasers

Tunable solid-state lasers are now emerging from the laboratory into industry. Recent developments promise to revolutionize a wide range of scientific domains, remote

sensing capabilities, laser medical applications, micromaterial, and microelectronic engineering.

Among the first lasers demonstrated in the early 1960s were those utilizing transition metal ions doped into crystalline hosts, for example the neodymium-doped yttrium iron garnet (Nd:YAG) and the chromium-doped sapphire (ruby) glass lasers. These lasers have found broad application. The characteristics of crystalline laser media of this type are influenced by both the dopant ion and the host crystal. Laser operation involves optically induced transitions between excited states of the ion, with energies that are perturbed by interaction with the crystal host fields. Thermal properties of the medium, which often are the essential constraint on average output power and pulse repetition rate, are primarily those of the host crystal.

Both Nd:YAG and ruby lasers operate at a single fixed wavelength. Wavelength tunability is possible with certain ion-host combinations. With the recent development of new crystalline media, tunable solid-state lasers for practical applications have begun to be realized. These new crystalline media operate in the deep red or near-infrared and are similar to the well-developed Nd:YAG and chromium-doped sapphire (ruby) lasers, in that they are optically pumped by use of a flashlamp or another laser.

They differ in that they are wavelength-tunable, because of the vibronic nature of the laser transition. Vibronic transitions involve simultaneous emission of an optical photon and excitation of a vibrational mode of the crystal—or what is called a phonon. Ions are optically excited by pump radiation to a broad continuum of high-lying states and rapidly decay to the closely spaced laser and storage levels. The laser transition terminates on one of the many vibrationally excited ground states. The high density of vibrational ground states in vibronic laser systems allows partitioning of the total emitted energy between photons and phonons, and results in optical gain over a broad continuum of wavelengths.

Most vibronic lasers are relatively efficient converters of absorbed pump light to tunable laser output, but overall efficiency (the ratio of optical laser output to electrical power input) is tightly constrained by the efficiency of generating suitable pump radiation. In addition, most of these devices, with the notable exception of the alexandrite laser (Cr:BeAl₂O₄), must be cryogenically cooled for optimum operation.

A second class of tunable solid-state lasers which has been extensively researched over recent years is based on the optical properties of color centers in alkali halide crystals. **Table 3** reviews the operating wavelengths and excitation and cooling requirements of several color-center lasers and some of the vibronic sources.

Color centers are specific types of point defects in the crystal lattice which trap electrons and result in optical absorption and emission in the normally transparent crystal. Color-center lasers utilize a doped alkali crystal, which is usually cryogenically cooled and optically pumped by a second laser operating at a wavelength within the absorption

range of the color center. Absorption of a pump photon transfers the trapped electron from the ground state to an excited electronic state. Excitation of the electron changes the force distribution on surrounding ions, which distorts the lattice to a new equilibrium configuration. Emission of a laser photon returns the electron to its ground state and is followed by a restoration of the lattice to its original configuration. There is a sizable wavelength shift between the maxima of the absorption and emission bands associated with these pro-

FIGURE 2
Simplified diagram of (a) a semiconductor diode laser, and (b) a diode laser array

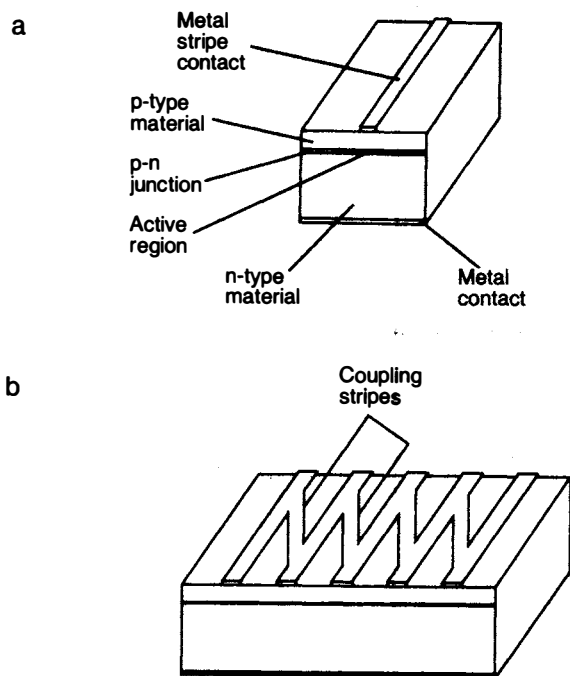


Diagram (a) shows a semiconductor diode laser in which the optical gain medium lies at the p-n junction. Electrons and holes are injected into the junction region when forward current is passed through the diode. Their recombination gives rise to optical gain, and facets created by cleaving the semiconductor crystal act as mirrors for the laser structure. Diagram (b) shows a coupled multiple-stripe configuration, which is capable of much higher output powers than more conventional devices. This arrangement utilizes an array of narrow-stripe diode lasers, which are coupled into adjacent stripes by interconnecting gain regions and by slight overlap of the optical beams generated by adjoining stripes. The stripes, which would otherwise oscillate independently, oscillate in phase as a result of this coupling, and coherent emission is obtained from the entire array. The output beam from this device exhibits lower divergence than would be obtained from a single stripe but contains the optical emission of all of the stripes. The array thus emits as a single high-power diode laser with good beam quality.

cesses, so that absorption by the crystal at the laser wavelength is small.

Color-center lasers typically convert 5-30% of the pump laser radiation to tunable output emission. Overall efficiency depends strongly on the efficiency of the pump source and is often rather low. Cryogenic cooling requirements and the instability of many color centers during operation and storage complicate work with color-center devices.

However, recent developments have identified new types of color centers that have good thermal and optical stability and allow extended spectral coverage. And while tunable lasers made with solid materials were first demonstrated in 1963, only with development of new methods laser pumping and the recent discovery of the alexandrite and titanium sapphire lasers, have tunable solid-state lasers attained sufficient efficiency and reliability to find practical applications. Leading experts point to three specific areas as responsible for this transformation in solid-state tunable laser technology:

1) The development of slab and disk geometry for the lasing medium. Sometimes the lasing atoms are embedded in host crystals such as neodymium, and Cr:GSGG. These geometrical configurations and host materials permit the lasing medium to be efficiently and rapidly cooled, and thus maintain the optimal operating temperature for high-repetition-rate firing and combined with minimal maintenance and misfire damage.

2) Diode-laser pumping in which more efficient, lower-power, single-wavelength lasers are used to pump the solid-state tunable laser medium. Diode-laser pumping has led to the realization of compact, efficient, and frequency-stable neodymium-doped lasers, which operate with low power inputs. The use of diode-arrays will permit the development of efficient, high-power systems.

3) The development of new pumping schemes for the cobalt magnesium difluoride, or Co:MgF₂ laser, and the recent discovery of the alexandrite and titanium sapphire lasers.

Solid-state lasers have numerous advantages over lasers operating with gaseous and liquid media, such as the CO₂ and tunable liquid-dye lasers. For example, solid-state lasers have essentially unlimited shelf and operational lifetimes. Furthermore, there is no need for flow systems, which greatly increase required maintenance. (Most gaseous and liquid lasers require such media flow systems.) Therefore, solid-state lasers are uniquely fitted for applications necessitating either long service lives and/or long shelf-lives and high levels of system reliability. In fact, this long-life potential for solid-state lasers has made them the prime candidates for space-based communication and sensing systems.

Solid-state lasers can also operate at a much wider range of wavelengths than those available to tunable dye lasers. At present, continuous-wave dye lasers operate only up to a wavelength of 1,000 nanometers. The longer-wavelength infrared dye lasers are rapidly degraded in operation due to thermal decomposition.

In the case of solid-state systems, commercially available color-center lasers operate at wavelengths from 1,400-1,700 nm and from 2,300-3,500 nm. Laboratory-based systems have been demonstrated for ranges from 800-4,000 nm. Co:MgF₂ and other transition-metal-doped lasers have demonstrated tuning ranges from 1,510-2,450 nm in laboratory experiments.

Many tunable-laser applications, such as ultrahigh-resolution spectroscopy and holography, require extremely high frequency stability. Frequency jitter caused by the flowing dye stream in continuous-wave dye lasers, therefore, puts major limitations on the application of these systems. Considerable effort has been put into realization of feedback loop systems to reduce this stream-induced jitter in frequency.

Solid-state lasers can also be subject to frequency-output instabilities. Changes in the refractive-index are generated by fluctuations in the ambient media temperature and/or pump-power variations in deposition in the solid-state laser media. The self-induced focusing instability is among the more notorious examples of this problem in solid-state lasers. (This is the case where the transiting laser beam itself induces a change in the index of refraction of the laser media, causing the beam to focus to higher power densities. This higher power density, in turn, increases the beam-induced change in the index of refraction and leads to further self-focusing of the beam. When the self-focusing beam exceeds the damage-threshold power level, catastrophic failure of the laser disk results.)

But as it turns out, these instabilities are much smaller in magnitude than those seen in dye lasers. And the instabilities have much lower characteristic frequencies for solid-state lasers. Therefore, feedback loops to control jitter in the output are much easier to achieve. In general, the frequency

TABLE 3

Examples of tunable solid-state lasers based on transition metal ions and color centers in crystalline hosts

Dopant	Host crystal	Operating wavelength (nm)	Pump source	Cryogenic cooling
Cr ³⁺	Alexandrite	701 to 818	Lamp	No
Cr ³⁻	Emerald	751 to 759	Lamp	No
Ni ²⁺	MgF ₂	1630 to 1750	Laser	Yes
Co ²⁺	MgF ₂	1500 to 2300	Laser	Yes
Ti ³⁺	Al ₂ O ₃	715 to 770	Laser	Yes
Li ⁺	KCl	2200 to 3000	Laser	Yes
Li ⁺	RbCl	2700 to 3300	Laser	Yes
Na ⁺	KCl	2200 to 2800	Laser	Yes
Na ⁺	RbCl	2400 to 2900	Laser	Yes
	RbCl	1700 to 2000	Laser	Yes
	RbCl	1600 to 1900	Laser	Yes

stability of solid-state lasers is expected to be far greater.

Laser technologies

The current operational range of tunable solid-state lasers is best represented by three specific systems: 1) the titanium sapphire laser has a continuous-wave (CW) output from 700-1,000 nm and a pulsed output from 660-1,200 nm; 2) alexandrite: continuous wave and pulsed from about 700-820 nm; 3) Co:MgF₂: continuous wave from 1,550-2,100 nm and pulsed from 1,500-2,450.

The alexandrite (Cr:BeAl₂O₄) laser, currently the most developed system, was first developed at the Allied-Signal Corporation in Mt. Bethel, New Jersey, by J.C. Walling in 1979. This laser can be simply pumped with flashlamps and operates at room temperatures and higher. Average pulsed power outputs of 100 watts have been demonstrated together with CW outputs utilizing arc-lamp and laser pumping. High peak powers have also been demonstrated, which permit the alexandrite laser to be used to drive various nonlinear processes, such as stimulated Raman scattering.

Recently, Los Alamos National Laboratory has chosen the alexandrite system for its project on laser isotope separation. The specifications are a pulsed output at 790 nm, with a 250 Hertz repetition rate of an operational lifetime of 120 hours before requiring replacement of any laser components. Allied-Signal has already delivered two such lasers.

Alexandrite lasers are currently being experimentally investigated by NASA as the prime candidate for DIAL atmospheric sensing satellite. A space-based system could detect water vapor concentrations at 724 nm and oxygen concentrations at 760 nm.

The titanium sapphire (Ti:Al₂O₃) laser was first discovered at the MIT Lincoln Laboratories in 1982. The short upper-state lifetime of the titanium sapphire laser means that the use of laser pumping rather than flashlamp pumping is favored for this system. Continuous wave outputs of 1.6 watts have been achieved utilizing argon-ion lasers for pumping. Several-hundred-millijoule pulsed outputs have also been attained. The use of frequency-doubled neodymium lasers to pump titanium sapphire systems is currently being envisioned as a candidate for the NASA DIAL atmospheric sensing satellite. If the Nd pumping laser is pumped with diode lasers, the overall system would be able to operate as an all-solid-state laser package, giving the system a high reliability and long life.

The Co:MgF₂ laser was demonstrated by L.F. Johnson at Bell Labs in Murray Hill, New Jersey in 1964. Because of its requirements for cryogenic cooling with flowing liquid nitrogen, this system was not considered suitable for practical applications until recently. Research at the MIT Lincoln Labs has demonstrated that laser pumping of the Co:MgF₂ significantly reduces the cryogenic cooling requirements. CW outputs of 4.3 watts have been achieved with a 1300 nm neodymium laser pump.

To be continued



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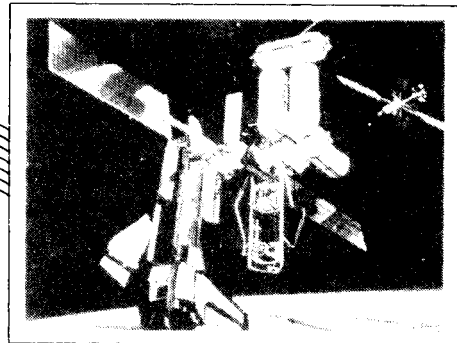
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'Stop AIDS' initiative back on California ballot

by Warren J. Hamerman

On Nov. 30, the California secretary of state announced that an emergency public health referendum to stop the spread of AIDS—virtually identical in wording to last year's famous Proposition 64—had qualified for the June 1988 California ballot. The secretary of state said that, with 54 of 58 counties reporting, the initiative had a minimum of 508,695 projected valid signatures, about 100,000 more than required by law to qualify for the ballot. About 725,000 California registered voters had signed their names to petitions which had been delivered to counties around the state at the end of October.

The AIDS Initiative Statute, as it is technically called, defines AIDS, and the condition of being a carrier of the HTLV-III (HIV) virus (or any other virus which may be found to cause AIDS), as legally "infectious and communicable," as they are in fact.

Furthermore, the initiative would place AIDS and this condition on the "reportable diseases and conditions" list, a list already maintained by the Department of Health Services, according to statute. This list already contains virtually all dangerous communicable diseases and conditions, such as German measles, typhus, tuberculosis, plague, and so forth. Once AIDS, and the condition of being an HTLV-III (HIV) carrier, are on this list, all those existing public health statutes and codes which presently apply to every other communicable disease, will apply to AIDS and its carrier form, as well.

The qualification of the California ballot initiative contrasts strongly with the persistent record of inaction, cover-up, and stalling by federal officials who are under orders from the White House *not* to spend money for an all-out fight against the pandemic. At a White House news conference on Dec. 3, Secretary of Health and Human Services Otis Bowen unsuccessfully tried to maintain that the number of AIDS-infected in the United States has not changed in over 18 months, when the Public Health Service first announced that 1-1.5 million Americans were infected. Under questioning, three government health spokesmen—Bowen, James Mason (director of the Atlanta Centers for Disease Control), and James D. Watkins (chairman of the Presidential AIDS Commission)—all admitted that the true extent



California voters sign up to place the AIDS Initiative Statute on the ballot. This time around, the most fanatic opponents of the initiative are in disarray.

of the penetration of the AIDS infection into the United States remains uncertain. Watkins stated that the old June 1986 figures are "rough," and that researchers need to find out how many Americans are really infected.

PANIC seen as likely to pass

Khushro Ghandhi, the president of Prevent AIDS Now In California (PANIC), which sponsored the newly qualified initiative as well as last year's Proposition 64, commented on why he and initiative co-proponent Brian Lantz were resubmitting the measure: "Up to eight weeks before the November 1986 elections, private polls indicated that Proposition 64 might very well pass. In the last months of that campaign a massive, well-financed campaign of deliberate lies was waged to confuse and misinform voters. The lies were about both the content of the initiative, which was wildly and deliberately mischaracterized, and perhaps more pernicious, about the AIDS threat itself.

"The opposition to Proposition 64 was composed of three rather well-defined groups: First, hard-core 'New Agers' and homosexual activists, including a portion of Hollywood's 'glitterati' who obsessively oppose any perceived threat to their innovative 'lifestyle.' Second, those who had no real disagreements with the contents of the initiative, but who were passionately concerned to stop Democratic presidential contender Lyndon H. LaRouche, Jr., one of the major endorsers of the measure. The third group was the leadership of the California Republican Party, who came out against the initiative after a significant factional battle, primarily because they, and the Ronald Reagan White House, were committed

to a low-budget approach to AIDS. The fact that this policy meant death and agony for millions of innocent people, was simply not of concern to them. After months of saying nothing, Gov. George Deukmejian finally came out against Proposition 64, and then promptly proceeded to cut the proposed state AIDS budget by 50%! It was this Republican opposition which was most effective in disorienting voters."

Ghandhi predicted that the new measure would pass. He commented: "Now the political situation has fundamentally changed. AIDS has become a leading issue in the minds of voters. Most consider the current lack of public health measures to be a deadly error. Day after day, news reports confirm the warnings of those who organized for Proposition 64. Groups like the California Medical Association and the Republican Party, which opposed Proposition 64, have since been forced to acknowledge the necessity for public health measures. Hundreds of bills around the country proposing various degrees of public health measures are now before state legislatures. Voters today are more 'savvy,' and will swallow less in the way of extravagant lies."

Ghandhi concluded: "Measures such as the current AIDS initiative will inevitably become law, as AIDS stalks the country and corpses pile up. The only question is whether we implement such measures now, or later—when AIDS may have already become unstoppable. We will never know how many people are presently dead or doomed because Proposition 64 did not pass. This new measure must pass. Discussions of cost are insanely immoral, with such a threat to human life looming over us. We can no longer sacrifice hecatombs to political or fiscal expediency."

Medical testing is under attack

by John Grauerholz, M.D.

Recently the electronic and print media in the United States have been on a crusade against medical testing. The NBC-TV evening news in the Washington, D.C. area, regaled its viewers with horror stories about people dying as a result of improperly done tests by poorly trained medical personnel. The Nov. 23 issue of *U.S. News and World Report* carried the cover story, "Warning: Medical Tests May Be Hazardous to Your Health."

This has followed close on the heels of reports about the alleged inaccuracy of screening tests for Human Immunodeficiency Virus, HIV, the virus associated with the development of AIDS. The low point was reached when the president of the American Medical Association insultingly informed Dr. Cory SerVass, a member of the Presidential AIDS Commission, that AIDS tests were worthless because they sometimes give false positive results.

In the case of AIDS, it is the policy of the public health establishment, regardless of what the President or the American people think, that mass testing for HIV infection is unacceptable. In spite of the fact that the one area in which molecular biological research has made substantial progress is in the development of more definitive and specific tests for HIV infection, our present policy is to avoid using this capability, while waiting for a vaccine and/or cure, both of which the more honest molecular biologists doubt that we will find in this century, if ever.

Both the NBC series and the *U.S. News and World Report* article reported on cases of patients whose cancers had been missed on routine tests like Pap smears, and other patients who had been diagnosed as having diseases they didn't have.

The sophist school of argument

This technique is known as casuistic argument—arguing from "cases"—and is part of the ancient art of "sophistry," or more politely, as rhetoric. Rhetoric, or sophistry, is the general term for those arts of argumentation by which a weaker argument can overcome a stronger, in spite of the merits of the case.

This particular form of casuistic argument is not logical, but psychological. The insertion of these "cases" in a supposedly "balanced" presentation evokes in the mind of the reader or viewer the fear, "This could happen to me!" Once

such a fear is evoked, an emotional state is created which eliminates the possibility of critical judgment, especially in the minds of people whose capacity for rational judgment is small to begin with. The function of casuistic arguments is to "personalize" an issue in a way that obscures the underlying reality of a situation.

That underlying reality is presented in a recent study on trends in health care by Arthur Anderson and Co. and the American College of Health Care Executives. It is one of the most explicit admissions to date of plans to murder millions of Americans in the name of cost-benefit considerations.

The study, entitled, "The Future of Health Care: Challenges and Choices," is based on a survey of 1,600 "experts," and opens its summary of findings with the brazen statement that "dollar concerns will be the driving force behind America's health care agenda. . . . Policy will be dictated primarily by money."

As a result of this, the report finds, trends will include: 1) a system guided by market incentives; 2) closing of 10% of hospitals; 3) an 80% increase in indigent care costs to hospitals; 4) covert rationing of care as funds are limited for medical technology; and 5) limits to care based on factors such as age and ability to pay.

The most crucial medical ethics issues will stem from concern over limited resources, the report says, including the rationing of services and euthanasia ("the right to die").

"Americans will not accept rationing of health care. . . . Despite this, access to care will be limited by factors of age and ability to pay. Health care will be limited for the terminally ill, and organ transplants limited to those who can afford it," the report predicts.

Since laboratory tests are among the items to be "rationed," creating the impression that they are useless, or even dangerous, will smoothe public acceptance of their massive curtailment as the next collapse in living standards, under what President Reagan still insists on calling "60 months of sustained economic recovery," hits the population. This is similar to the proliferation of food fads which have accompanied the collapse of nutrition in the United States and elsewhere.

This is not the first such casuistic miracle produced by the "magic of the marketplace." Multimillion-dollar judgments in cases of rare side effects of vaccines, have created a situation in which drug companies have stopped producing vaccines or are charging exorbitant prices in order to build up contingency reserves for potential lawsuits. As will happen with medical testing, these suits also fostered a rabid anti-vaccination movement.

The beneficiaries of this diagnostic and therapeutic nihilism are the same budget-cutters who don't want to spend money on stopping the AIDS epidemic, which threatens the human race with extinction. The victims will be the fools who buy their casuistic arguments, and fail to force their governments to act now.

The conquest of the AIDS virus: a three-point strategy

by John Grauerholz, M.D.

The following article is an abridged version of a longer paper prepared by Dr. Grauerholz as a basic primer on AIDS.

Acquired Immune Deficiency Syndrome, or AIDS, represents the most serious threat to the survival of the human race and the most immediate, barring outbreak of generalized thermonuclear war, whose survivors will, in any case, be mopped up by AIDS. As with the potential for thermonuclear war, the AIDS epidemic is very much a product of the present economic and cultural collapse of civilization, and, especially in the Western countries, represents the fulfillment of a cultural death-wish become virulent over the past 20 years.

We are engaged in a war to the death with a virus which, whatever its origins, seems almost fiendishly designed to exploit all our weaknesses, not only biological, but also economic, epistemological, and political. To formulate a strategy to conquer this disease—and we must be absolutely clear that conquest, and not peaceful coexistence, is our aim—it is necessary to understand the nature of this virus in particular, and of epidemic disease in general.

What 'causes' AIDS

To begin with, infection with the Human Immunodeficiency Virus (HIV), by itself, does not cause AIDS. By itself, HIV infection causes an acute viral syndrome, characterized by fever, sore throat, muscle aches, and a transient rash. This illness is associated with elevated levels of cell-free virus (*viremia*), and virus product (*antigenemia*), in the bloodstream, and is followed by development of antibodies to the virus (*seroconversion*) shortly thereafter. This is essentially similar to influenza, or most other acute viral illnesses, and it is not unreasonable to assume that the individual is more contagious during the acute infection.

HIV infection also causes a primary degeneration of the brain and central nervous system, which can occur in the absence of any symptoms of immune depression. Cases have been reported of HIV-infected individuals who died of brain degeneration without ever developing any of the infections or tumors characteristically associated with the Acquired Immune Deficiency Syndrome. This appears to be a long-incubation disease with a 10-20 year or longer course.

In addition, HIV can also cause a primary infection of the lungs, known as chronic lymphocytic interstitial pneumonitis

(CLIP), and the virus has been isolated from the bronchial fluid of such patients. Since the virus produces a primary lung infection, and is present in the bronchial secretions, respiratory transmission is certainly possible, especially when we consider the case of a laboratory worker who apparently was infected by inhaling virus.

Returning to the acute viral syndrome, once the antibody response has occurred, the virus is apparently cleared from the bloodstream. The body produces antibodies to a number of different components of the virus, including the external envelope *glycoproteins* (combinations of carbohydrates, or sugars, and protein) and the inner protein capsule, which surrounds the genetic material and enzymes of the virus. Clearance from the bloodstream appears to be caused by antibodies to the inner protein capsule of the virus, rather than by the antibodies to the outer envelope.

Once the cell-free virus has been cleared from the bloodstream, the remaining virus is present within the white blood cells, primarily in cells known as *monocyte-macrophages*. If these cells express virus products (*antigen*) on their surfaces, then the circulating antibodies will bind to this antigen and the cell will be destroyed by a process known as *antibody dependent cell cytotoxicity*. Such cells are then eliminated as potential sources of future virus production. The problem is that some cells which carry virus do not express the virus, and thereby evade destruction by the immune system. These cells may then migrate out of the bloodstream into areas that are not readily accessible to the immune system, such as the brain and skin.

In such latently infected individuals, the virus may remain inactive for years. Since there is little cell-free virus in the bloodstream, infection can only occur by transmission of infected cells to another person, as in transfusion of blood. As a result of retrospective studies on banked serum, it is now known that some individuals have been infected with this virus for 10 years without becoming ill. By contrast, people who have received transfusions from those infected have developed AIDS, and died.

The question of the asymptomatic carrier

To restate the case, following the acute viral syndrome, the infected person is both seropositive—possesses antibodies to the virus—and asymptomatic—has no clinical evi-

dence of disease related to his or her infection. Such an asymptomatic carrier is relatively, but not totally, non-infectious, but has acquired a permanent change in the genetic potential of some of their cells which, at a future point, can render the person more infectious and can lead to the development of clinical brain degeneration and/or lung infection and/or immune deficiency, and ultimately death.

Whether this asymptomatic carrier will develop an Acquired Immune Deficiency Syndrome (AIDS) depends on the presence of other conditions, known as *co-factors*. These co-factors are primarily of the form of conditions which weaken the immune system and/or stimulate active expression of previously latent, cell-associated HIV infection. Such conditions could include malnutrition, still the leading cause of immune depression worldwide, and other infections which stimulate the immune system in general, as well as specifically activate the expression of previously latent *provirus DNA*. Provirus DNA is the form in which the genetic material of the AIDS virus integrates itself into the genetic material of the infected cell and thus becomes a lifetime part of the genetic potential of the cell.

AIDS is similar in this way to cancer, in that an acquired change in genetic potential of the cell expresses itself in a change in the surface of the cell, the so-called tumor antigens, and a change in biological behavior of the cell. In the case of cancer, this behavioral change consists of abnormal growth manifesting itself as a tumor, such as cancer of the colon or lung, or in the overproduction of immature, nonfunctional cells, as in the case of leukemia. As with AIDS, the altered genetic potential or transformation by itself is not sufficient to cause the development of a cancer, but requires both co-factors, known as *promoters*, and a breakdown in the immune surveillance mechanisms by which the body detects and destroys altered cells, just as it destroys HIV-infected cells that express virus products (antigens) on their surfaces.

Once the latent HIV virus is activated by the co-factors, virus and virus products (antigens) are produced in large quantity, leading to destruction of immune system cells—specifically the T4 lymphocytes, which play a key role in coordinating immune defense against tumors and certain infections—by two different mechanisms. The first of these mechanisms is a direct *cytopathic* (cell-killing) effect as a result of reproduction of the virus in infected cells. The second, and probably more significant, mechanism is an immunopathic effect in which the immune system literally self-destructs.

In the case where immune system cells self-destruct—the *immunopathic* situation—virus antigens are “tricked” into binding to and then killing uninfected immune system cells which have certain “marker molecules” (the CD-4 molecule) on their surfaces, even though the cells in question contain no virus or virus genetic material!

Then, the circulating antibodies to the virus antigen bind to the material on the cell surface and mark the cell for destruction by a process known as “antibody dependent cell

cytotoxicity.” This process, in the early stage of the infection, eliminated infected cells, as part of the body’s immune reaction to the virus. Now, this same mechanism destroys uninfected cells that happen to be coated with the virus antigen, even though they contain no active or latent virus.

Public health: first line of defense

The strategically significant point is that at least one major consequence of HIV infection, the Acquired Immune Deficiency Syndrome (AIDS), requires factors other than HIV infection in order to develop. Insofar as we possess no antiviral drug capable of eliminating the virus once it has established itself in a person, and insofar as AIDS is essentially 100% fatal once frank AIDS develops, in spite of treatment, our approach must be: to prevent transmission to uninfected persons and to prevent the onset of symptomatic AIDS in the infected person. Therefore, the first part of any competent strategy to conquer AIDS must be a public health program of widespread testing to determine who is infected, and hence at risk of developing AIDS or transmitting the virus to uninfected individuals.

One of the major arguments advanced against widespread testing is the lie that we have nothing to offer the infected individual. Even if this were true, the implicit premise is that it is acceptable to simply allow this infection to continue to spread, unchecked, throughout the society; nonetheless, the quarantine of plague victims did very little for them, but it did protect the uninfected. Furthermore, while many persons infected with HIV may wish to continue to engage in activities that both spread the infection and place them in danger of developing active disease, there are other infected persons who would alter their activities if they were aware of their situation.

In fact, the role of co-factors in the development of AIDS indicates that there is indeed something which we can offer the infected individual. That is to say, that there are alterations that both the infected individual and society can make which can significantly prolong the symptom-free period in such persons, and, at present, we have a much better chance of significantly postponing the onset of disease than we have of treating it once it occurs. To do this, however, we must know who is infected, and what the status of their infection is. The present policy against testing is a policy of allowing people to become infected, and to live in circumstances and engage in activities which activate the infection; the policy then becomes to hustle them off to a hospice to die.

This is the context in which the concept of traditional public health quarantine, along the lines of the “phased” Chicago model program for checking the spread of tuberculosis, must be understood. Not only does the HIV-infected person represent a potential source of HIV transmission to others, but other people also may be a source for transmission of other infections to the HIV-infected person, which can activate the latent infection and initiate the onset of fatal immune deficiency. A classic situation is the HIV-infected

child in a school setting. At least one case of transmission of HIV from a transfusion-infected three-year-old boy to his six-year-old brother has already been documented. Anyone who says that HIV cannot be transmitted in the course of normal childhood interaction is simply wrong, unless they wish to postulate that a sick three-year-old boy anally penetrated his older brother and ejaculated semen, or that the two children were, unknown to their parents, sharing intravenous-drug needles. Simply put, homebound instruction for children who have potentially infectious diseases or are at

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risk of infection from other children, is a well-established procedure.

When all the rubbish about psychic distress is put aside, the bottom line is money, or more correctly the lack of it: It is the unwillingness to expend funds on these unfortunate children, in the insistence that there will be no cure, which is behind the policy of putting them and their classmates at risk and allowing nature to take its course.

Again, what is overlooked in the anti-public health measures argument is the cost of not initiating a program of widespread testing and appropriate use of quarantine measures. We are looking, conservatively, at an estimated 4-5 million persons, some of them newborn children, but most of them young and middle-aged adults, who are infected with this virus in the United States, and tens of millions in underdeveloped countries. We cannot afford to allow these people to progress to active disease without making interventions which may delay the onset of disease, just as with the battle against tuberculosis, where the goal was not only prevention of disease transmission, but also improvement in the health of the infected person. As with any other infectious disease,

healthy, well-nourished persons control HIV infection better than unhealthy persons exposed to other diseases and environmental stresses, as exemplified in Belle Glade, Florida, where the disease shows a short, fulminating course to death.

Economic breakdown and disease spread

The current relevance of this can be seen in New York City, whose population was just under 9 million persons in 1960. In 1980, with the destruction of infrastructure by Felix Rohatyn's Municipal Assistance Corporation, which stripped the assets of the city to service its public debt, the population was barely over 6 million. Consequently, an epidemic of tuberculosis that broke out among the ghetto population is still under way. By 1986, the population had declined to a little over 5 million and, according to Health Commissioner Dr. Steven Joseph, at least 500,000—10% of the population—are infected with the AIDS virus, a level comparable to central African countries such as Uganda, which some experts predict will cease to exist by the end of the century.

In the case of the 14th-century Black Death, the fundamental dynamic underlying the collapse of Europe was the usurious interest rates charged by the Lombard banks to the feudal estates. To service this debt, the feudal aristocracy was compelled to extract so much of the product of the serfs that not enough remained to enable the laboring population to reproduce itself. As a result, the rural population deserted the land and moved into the cities where lack of infrastructure investment caused conditions of crowding, malnutrition, and poor sanitation and guaranteed the most rapid proliferation of the first communicable disease which came along.

The same policies today are producing the same consequences. As the rural economies of developing sector nations collapse, the rural populations are leaving the countryside and crowding into and around urban centers. In Africa and Ibero-America, this is taking the form of so-called "marginal zones" surrounding major cities, consisting of slums with a higher population density than the city itself, totally lacking basic sanitation and health infrastructure. An epidemic of disease unleashed in these areas would essentially "implode" the contained urban area, under conditions of infrastructure collapse. AIDS would spread quite rapidly in such zones, while the marginal zone then serves as a reservoir to infect the entire city.

Far more lives are threatened by biological holocaust than even by a full-scale thermonuclear war. Even without AIDS, the environmental conditions created by current economic policies, both in the developing and "advanced" sectors, would lead to outbreaks of epidemic disease, causing severe social disruption and enhancing the already ongoing economic collapse. As long as such conditions persist, even were a complete cure for HIV infection developed, it is highly unlikely that it would have any significant impact on the problem: We possess curative treatments for tuberculosis, malaria, and syphilis, all of which are presently increasing worldwide.

Crash research effort

The third part of our strategy must be a massive Apollo-style research program into the fundamental biology of the life process. If we view *mitosis*, the process of cell division characteristic of all higher organisms, as the fundamental negentropic process of the biosphere, we see that the entropic effects of the AIDS virus are most pronounced in relation to that process. Expression of latent HIV infection occurs when infected cells are stimulated to undergo mitosis. Aberrations in mitosis are also at the root of the other major entropic biological processes—cancer and aging; loss of mitotic capacity is characteristic of aging cells, whereas abnormal mitosis is characteristic of cancer cells. Thus a fuller understanding of the phenomenon of mitosis is essential to understanding and overcoming AIDS, cancer, and aging.

The problem with current research is that there are too few resources being focused too narrowly. Leaving aside the money wasted on miseducation and pseudo-sciences, such as sociology and psychology, the hard scientific research is focused on molecular biological approaches to a vaccine and cure. The problem is, as some of the better molecular biologists will admit, that within the constraints of molecular biology, both a vaccine and a cure may be impossible, because the field itself, which is based on the statistical chemistry of non-living processes, is intrinsically incapable of comprehending the nature of the living process, which it views as statistically improbable.

Without a fundamental understanding of the life process, the path described above will not be difficult, but impossible. Such understanding will not come from the bit-by-bit accumulations of reductionist molecular biology with its transcriptions, translations, and transpositions, and its computer tape model of DNA. This is the approach that has led us to the point, where we can know the entire sequence of nucleotides in the genetic material of the AIDS virus, but really don't know how it causes disease in a living human being.

But, conveniently for CDC bureaucrats and the World Health Organization, this approach allows them to deny the existence of non-sexual, non-needle-transmitted AIDS, in spite of the existence of documented cases, and to deny the relevance of co-factors in the development of the disease. As long as this denial exists, the approach enables genocidal organizations such as the World Bank and International Monetary Fund to pursue economic policies that inevitably create the conditions for the outbreak of pandemic diseases. Finally, it has created an epistemological cul-de-sac, from which biological science must escape if it is going to deal with the crisis of AIDS and the longer-term issues of cancer and aging.

Optical biophysics

The way out of the cul-de-sac is through the application of an approach known as *optical biophysics* to the study of the living process, particularly to the unique processes of cell growth known as mitosis and *meiosis*. It is these harmonically

ordered processes which define living matter, and not the simple aggregate of biochemical reactions occurring in a cell.

To understand the issue, one simply has to answer the question, "What is the biochemical difference between a living cell and one that has just died?" One can say, "Well, different chemical reactions are occurring in the two different cells." But, in fact, all the individual chemical reactions characteristic of living cells can be carried out in non-living systems of cell fragments. So what determines that the reactions characteristic of living matter will occur, as opposed to those characteristic of non-living, or dying matter?

The answer appears to lie in the study of the optical and electromagnetic properties of living cells. This represents a Pasteurian optical biophysics approach, which promises to reveal the most fundamental secrets of living processes. Approximately 10 million cells are dying in the human body every second, and with a few exceptions, they are "normally" replaced within that same second. Genetic information theories, hormones, enzymes, and nerve impulse signals are all too slow to coordinate such a turnover. Only bioradiation phenomena are quick enough to "tune" such a living orchestra.

Since research work in optical biophysics has not been in the mainstream of Western programs, the scientists who have gone in this direction have had to resist a tremendous amount of peer pressure. Their work has been without adequate funding and institutional backing, especially since the United States deliberately downgraded biophysics in 1968, in the context of the biological warfare protocols negotiated by Henry Kissinger. Not surprisingly, this has been an area of intensive research in the Soviet Union.

The appropriate American response to this challenge is typified by the Apollo Program of President John F. Kennedy, which mobilized the nation to a great commitment and created the climate of cultural optimism of the early 1960s. America's unique strength is its capacity to undertake such great tasks of technologic mobilization and succeed. This is why Lyndon H. LaRouche, and the National Democratic Policy Committee, have called for the implementation of a Biological SDI, which would create a multidisciplinary scientific mobilization to apply the most advanced technologies of biophysics to AIDS in particular, and to the life process in general.

Absent such a program combined with a real economic recovery, public health measures alone will not stop the disease, and any time they do buy us will be wasted. This program will require billions of dollars to implement, but, like the Apollo Program did, will repay the investment more than tenfold, and reestablish our cultural commitment to growth and development, and provide our only hope of ultimately stopping the AIDS pandemic. If we persist in the present economics and culture of stagnation and decay, then the AIDS virus and many other infectious organisms, will prevail over us.

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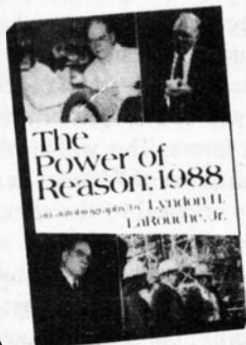
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The follies of Shultz's verification hoax

by Lyndon H. LaRouche, Jr.

Around Washington, D.C. today, wishful dreamers are spreading the folly, that the limited U.S. inspection of selected Soviet missile-sites will represent a significant advantage for our intelligence services. What those U.S. teams will be doing, is scrutinizing very closely the weapons which the new Soviet order of battle is rendering obsolete; the U.S. teams will not only not have access to the new Soviet weapons-production; given current U.S. strategic perceptions, they would not even know the nature of the devices for which they ought to be looking. Meanwhile, Soviet military intelligence will be crawling all over the United States, as if they had already occupied our nation.

It is officially rumored that Moscow will soon make a spectacular announcement of withdrawal of about four Soviet divisions from Afghanistan, and perhaps another four from East Germany and Czechoslovakia. We may be virtually certain that George Bush and other Mr. Micawbers will be ecstatic over these announcements. These are moves which Moscow has been planning to make, as part of retooling its forces for the new plan of attack upon Western Europe; this way, they dupe the new Neville Chamberlains in Washington into believing these actions are some sort of Soviet peace gesture!

Let us examine briefly, some bare outlines of the new Soviet order of battle which Marshal N. Ogarkov and the Voroshilov military academy's general war-planning staff have in store as a surprise for the peace-loving gentlemen around our nation's capital. Let us see clearly, that the deal which Secretary Shultz has arranged for President Reagan to sign, is remarkable as one of the most disgusting examples of that customary folly which occurs when diplomats take over strategic military matters.

Without identifying any among the many confidential expert sources who have assisted me in piecing the following picture together, I summarize the picture as I have it.

The new Soviet order of battle for the takeover of Western Europe requires no firing of Soviet nuclear missiles, on condition that the United States does not commit the imperialist aggression of attempting to interfere with the peaceful Soviet military occupation of Moscow's intended colonies. The personnel roster the Soviets are deploying for this war begin with two already being positioned inside Western European nations. The roster, is summarily, as follows:

1) Soviet paramilitary combat, assassination, sabotage, and riot forces recruited from among the "peace-loving anti-nuclear" forces among the citizens of Western Europe. The anti-nuclear and associated terrorists and paramilitary combat forces linked to organizations such as the West German Green Party have been Soviet-controlled and directed capabilities from the beginning.

These forces begin to go into action prior to the first day of overt Soviet military invasion. Riots modeled upon those of 1968, but much larger, more violent, more deadly, are deployed, to destabilize the countries. In the course of this rioting, paramilitary combat and widespread sabotage are conducted by these Soviet-directed forces. Some selected political assassinations of "right-wing" and "militaristic" figures will be conducted by these "peaceful anti-nuclear" terrorist forces. This will escalate to the point that the defense mobilization of Western European military forces is significantly crippled by the effects of these actions. All of these actions will be conducted according to a prepared military plan, a plan constructed under the direction of Warsaw Pact military officers from East Germany and Czechoslovakia primarily, but special teams from Poland and Bulgaria will also be used, especially in areas where concentrations of immigrants from Eastern Europe are located.

2) Under the cover of the escalating civil-war activities of Soviet-directed, "peace-loving anti-nuclear" forces recruited from residents of Western European nations, Soviet

pre-infiltrated spetsnaz (special forces) teams of the Soviet military intelligence (GRU) go into action. These spetsnaz are infiltrated in various ways, as members of Soviet and other East bloc sports teams, cultural troupes such as ballet companies, as military officers working as truck drivers on the hundreds of trucks regularly shuttling back and forth from the Iron Curtain countries, and as specialists long emplaced as GRU residents under such working covers as university figures, students, employees of military and related laboratories, and so forth.

These form the specialist teams who conduct assassinations, sabotage, and so forth before D-Day, and conduct strategic military operations, such as placing and detonating compact nuclear bombs, in a first-strike mode, against approximately 250 selected Soviet first-strike targets in Western Europe.

These spetsnaz do not work in contact with the Soviets' recruits from among "peace-loving anti-nuclear" forces of the nations under attack. However the actions of the domestic assets serve as diversion and other cover for spetsnaz deployments.

About 250 Soviet "first-strike" military and logistical targets in Western Europe will be destroyed or virtually destroyed by these spetsnaz, without requiring a single East bloc missile's firing.

3) The third echelon is composed of the main bodies of the spetsnaz troops, the spearhead of the invading forces. Their functions include: a) Neutralization of Western defense capabilities; b) High-speed movements of killer teams, Soviet "Rambo"-style, slaughtering military and police forces, and killing off targeted classes of civilian officials and related figures as they go.

4) Soviet airborne troops, including approximately four divisions of such forces flown into West Germany from their bases in the Hungary Secretary Shultz is willing to exempt from U.S. inspection. These troops take territory.

5) Soviet corps-strength units with armored columns. These take over territory from the spetsnaz and airborne forces, and complete mopping-up operations and occupation.

The key high-technology elements of the arsenal featured in this Soviet war plan are dominated by: a) compact, "hand carry" nuclear bombs for use against hard targets, b) chemical and biological weapons of a selected, delimited repertoire, and c) new types of "radio frequency" weapons serving chiefly both as strategic and tactical assault weapons used to much the same net effect as strategic and tactical nuclear weapons, or tactical use of chemical-biologicals.

Secretary Shultz and his Chamberlain deal's sundry Washington bush-league and other enthusiasts have induced Moscow to negotiate away a war-capability which Moscow does not intend to use in any case, leaving untouched the capability Moscow does intend to have readied for actual war, and almost giving away the United States as well as Western European defense "store" as the price for such Soviet "peace-loving concessions."

Letting U.S. intelligence travel on a Moscow-prearranged sightseeing tour of Soviet military "Disneyland" sites, is an almost worthless piece of futility, in any case. The exercise is based on assumptions of conditions which may appear to exist today, but which will soon not exist at all. The Soviet military will amuse itself by maintaining a number of Soviet military sorts of strategic "Potemkin Villages" to keep the U.S. spy-teams diverted and amused.

Moscow never gives anything away, unless it is forced to do so. With a U.S. President as weakened and disoriented as this one has been over the recent two years, Moscow will exploit the President's political weakness and weakness of perception to the limit; whatever they give away, under these circumstances, we know is more or less worthless to them a year or so down the road, and what they gain in return, is an almost irreversible catastrophe in the defense posture of the Atlantic Alliance.

Thus, the proverb goes, whom the gods would destroy, they first make mad. Washington today, for the most part, is stark, raving mad.

The verification procedure

Secretary of State George Shultz and Foreign Minister Eduard Shevardnadze reached an agreement on Nov. 24, on measures to verify compliance with the INF treaty. These will include the following, according to press accounts:

Several dozen Soviet inspectors will be permitted to reside in the United States for 13 years at about 30 U.S. missile-production plants, including the General Dynamics Tomahawk missile launcher facility in San Diego and the Hercules Pershing rocket missile plant at Magna, Utah. In exchange, U.S. inspectors will be given access to the exit and perimeter of 12 sites, including at Votkinsk. Thirty to 40 inspectors on each side would be on location 24 hours a day. According to a White House source quoted by the *Washington Post*, some of the installations on the Soviet side "may have to be inspected only once."

Both sides have agreed to "uncover" the sites where intermediate and short-range missiles had been located, to spy satellites of the other side. Twenty short-notice, on-site inspections per year would also be permitted to both sides in the three years after treaty ratification, with 15 inspections per year allowed over the following five years, and 10 per year in the next five years.

A verification commission will be established to hear complaints.

Soviet military: We'll lose nothing

by Rachel Douglas

Moscow is not about to advertise its development of radio frequency weapons or the latest spetsnaz techniques readied for use against Western Europe, but the principle represented by those military programs has begun to surface in the Soviet military press: No vital capabilities, Soviet military officers are being told, will be lost to arms control.

On Nov. 17, the military daily *Krasnaya Zvezda* (*Red Star*) broached the matter by means of an article on ways in which NATO, it alleged, might skirt the new Intermediate-range Nuclear Force (INF) treaty. It is customary for Soviet military writers to address their own affairs obliquely, by talking about what "the other side" is doing.

The *Krasnaya Zvezda* author, Col. V. Nazarenko, charged that NATO was preparing measures, to compensate for what is sacrificed under the INF accord. He quoted a statement by British Defense Secretary Younger to *The Independent*, about "introducing certain correctives into the forces remaining at the disposal of the North Atlantic Alliance, in order to ensure the preservation of an effective deterrent." This reflects, Nazarenko explained, how for several months NATO military leaders have had "lively discussions about measures of 'compensation' for possible 'loss' of the Euromissiles."

No 'sellout' on SDI

Also in November, the Soviet military went on a campaign about the Strategic Defense Initiative—specifying its demands for restrictions on the U.S. program and, as *EIR* reported last week, quietly letting it be known that Moscow's own strategic defense program is well under way.

Krasnaya Zvezda, on Nov. 13, printed a letter to the editor from one Maj. I. Ogiyenko, who expressed doubts about the preparation for General Secretary Gorbachov's meeting with President Reagan. "The impression is forming," he wrote, "that recently we have compromised in regard to SDI. Is that so? And will not such compromise be detrimental to the Soviet Union's security?"

The matter having been put on the table, the daily's senior

commentator Col. Manki Ponomaryov replied, "I can say with complete confidence, Comrade Ogiyenko, that there are no grounds for such fears. . . . If it proves impossible to change Washington's mind on the SDI question in the present conditions, then the U.S.S.R. insists on a minimum; maintaining strict observance of the ABM Treaty at least for 10 years."

In the September (Russian)/October (English) issue of the Soviet monthly *International Affairs*, First Deputy Chief of the General Staff Gen. Col. V.N. Lobov had spelled out just how much the military would concede to U.S. SDI research. He wrote, "The U.S.S.R. agrees that the research in the sphere of space-based ABM systems be allowed at the laboratory levels, that is on the Earth—in research institutes, on testing grounds, and at manufacturing works, without taking any ABM components to outer space. The Soviet side has said it is prepared to agree on a list of devices that may or may not be placed in outer space."

General Major of Aviation B. T. Surikov, a participant in strategic arms talks, spelled this out in a Nov. 14 interview with the government daily *Izvestia*. "We proceed from the premise," he said, "that in 10 years the Americans will be able to see for themselves the senselessness of SDI. They will be able to carry out some laboratory research, verify what is laid down in their key programs, and see for themselves these weapons are pointless."

Surikov roundly denied that Soviets were working on their own SDI, even as it was reported in Western Europe, that Soviet military officials have acknowledged the existence of an organization called KSO—for Strategic Space Defense or Strategic Defense Command (see *EIR*, Dec. 4, 1987). Indeed, Gorbachov himself, in his Nov. 30 interview with NBC-TV, admitted that the Soviets have their own advanced program of strategic defense research.

Ogarkov in view

The mastermind of the Soviet programs for weapons based on new physical principles and of the military command reorganization, through which Lobov and other commanders of the new school have risen, leaped into prominence during November. After appearing in the Kremlin to receive an award for his 70th birthday, on Oct. 30, Marshal Nikolai Ogarkov has publicly toured the region under his direct control—High Command West, defined as the wartime zone encompassing the Soviets' East European fronts against NATO.

Ogarkov attended the celebration of the Bolshevik Revolution, in Poland. Then he turned up in East Germany, where the commander-in-chief of the Group of Soviet Forces in Germany (GSFG), General of the Army Valeri Belikov, had died on Nov. 12. As the U.S.S.R.'s supreme commander for the European theater, Ogarkov met with top military and political East German leaders when they came to GSFG headquarters to offer condolences.

Cultural warfare can beat Soviet war drive

Democratic presidential candidate Lyndon H. LaRouche, Jr. spent the period immediately before the infamous Pearl Harbor Day superpower summit on tour in Western Europe, for a series of meetings aimed at tapping the best cultural resources of Western civilization, to defeat the Soviet drive to subjugate Europe.

"The world is gripped by a threat of warfare greater than that which ensued from the Western powers' appeasement of Hitler in 1938," LaRouche stressed, in a speech delivered for him at a seminar in Paris on Nov. 26. "Under its new ruling dynasty, the Bolshevik oligarchy, that ancient foe of Western European civilization, Muscovy, has achieved the greatest power in its history, greater by far than during the dark decades following the 1815 Treaty of Vienna. Today, Moscow . . . intends to employ the acquisition of an absolute strategic superiority to accomplish the rapid rearrangement of the world's political map into a system of colonies, satrapies, and client states of Holy Moscow." (See *EIR*, Dec. 4, 1987, "The revolution of electromagnetic pulse weapons," for the complete text of this speech.)

LaRouche expressed confidence that the cultural superiority of Western civilization, if mobilized behind the right kind of program and method, can still defeat this threat. The concept of victory, which has been written out of the West's military lexicon in recent years, must be revived, through crash mobilizations of scientific capabilities. The key to such a cultural revival, he explained in a speech in Sicily, is to rekindle in the dispirited populations of the Western nations the emotion of *apape*, that love of God and love of mankind which is described by St. Paul in I Corinthians 13. This is the foundation for the creative breakthroughs that lie ahead in science and statecraft.

The Paris seminar, attended by 50 people, was also addressed by Gen. Paul Albert Scherer (ret.) of West Germany, former chief of counterintelligence for the Bundeswehr; Dr. James Frazer, professor of cancer research at the University of Texas; Dr. Jonathan Tennenbaum, European director of the Fusion Energy Foundation; and Michael Liebig, European executive director of *EIR*.

Speaking at a forum at the University of Catania, in

Sicily, on Nov. 21, LaRouche stressed, "We are on the verge of the gravest economic crisis in all of human history. But in spite of this, I am an optimist." Today's "jet set" elites are nothing but the modern version of the ancient Olympians, "a bunch of young delinquents, descended from the concubine Olympia, who decided to call themselves Gods and impose their tyranny on the population." But the Gods' defiance of natural law led to their own destruction. "I am an optimist," said LaRouche, "because this crash [of the modern-day financial system] shows that natural law is stronger than the Gods of Olympus, and if we work hard enough, man will be mobilized on the basis of the power of natural law and the power of *agape*."

The Sicily conference, on "The role of Italy in a new world economic order," was organized by the Schiller Institute. Other speakers included Monsignor Salvatore Cassisa, archbishop of Monreale; Mrs. Helga Zepp-LaRouche; former Italian senator Vincenzo Carollo; Prof. Gianfranco Giliardini, a board member of the Messina Strait Society, which is developing a plan to link Sicily to the Italian mainland; and Prof. Emilio Olzi, an expert in superconductivity from the National Research Center.

On Dec. 1, LaRouche delivered a surprise address in Milan to a conference of 200 people, organized by the Schiller Institute, on the topic, "The new radio frequency weapons: state of research in the U.S.S.R., possible defense, use of radio frequencies for medical treatment." In the audience were 30 military men, among them 10 retired generals, and representatives of the aeronautics and aerospace industrial sectors.

LaRouche charged that the leaders of the Western world, starting with President Reagan, are acting like "idiots." The Soviet Union has changed the order of battle, he said, and is working intensively on those irregular warfare capabilities that NATO is least equipped to handle, as well as the new capabilities known as "radio frequency weapons."

What can Italy do in the face of this threat? he asked. In Italian industry, in the research institutes, he said, there are precious, talented people, whose efforts should be mobilized into the projects at hand. The method to be used is the scientific method developed in Milan itself, thanks to the work of Nicolaus of Cusa, Luca Pacioli, and Leonardo da Vinci. The breakthroughs to be accomplished today, he said, must be based on the work of Pacioli and Leonardo on optical biophysics.

Other speakers included Dr. Jonathan Tennenbaum of the Fusion Energy Foundation; Gen. Alberto Li Gobbi, holder of Italy's Gold Medal for the War of Liberation; Prof. Bruno Brandimarte, professor of laser applications in medicine at the Free University of Urbino.

In Rome on Dec. 3, LaRouche addressed a conference on radio frequency weapons, with 80 participants including scientists, military personnel, and members of the press and diplomatic corps.

Swedish officer was ordered not to fire on Soviet submarines

by Göran Haglund

A Swedish military officer, Col. Lars Hansson (ret.), has revealed that Sweden's military high command, acting on behalf of the Social Democratic regime of Olof Palme, intervened to allow the escape of Soviet submarines trapped in Swedish territorial waters during the famous Hors Bay submarine chase of October 1982. Appearing on the television news show *Aktuellt* on Nov. 25, Colonel Hansson gave a preview of a forthcoming article, in which he also reports that the Hors Bay events showed that there is necessarily a Soviet spy somewhere high up on the Swedish military staff.

The dramatic revelations by Hansson—who was from 1982-85 chief of the Stockholm Coastal Artillery and operational commander of the Hors Bay chase—elaborate on earlier, less detailed statements by him in June 1987. They fully confirm the interpretation of the Hors Bay events published by *EIR* (for example, July 17, 1987).

Hansson's charges against the Social Democratic regime, which returned to power on Oct. 8, 1982 and remains in power today, albeit without the murdered Palme, name Rear Adm. Bror Stefenson, a member of the military command notorious for his Social Democratic leanings, as personally responsible for the Soviet submarines' escape.

Following the October-November 1981 "Whiskey on the rocks" incident, in which a Soviet submarine of the Whiskey class ran aground near the southern Swedish naval base at Karlskrona, the Oct. 1-11, 1982 Hors Bay chase was the second, major eye-to-eye confrontation between Sweden's armed forces and the Soviet submarine units deployed in the Baltic and, it is now evident, not infrequently into Swedish waters. A parliamentary commission formed on the incidents in late 1982 issued a report in April 1983, identifying the Soviet Union as the hostile power behind the submarine incursions. The Submarine Commission report also revealed the Soviet use of mini-submarines to penetrate Swedish coastal defenses, even to the extent of paying a "visit" to the harbor of Stockholm, a stone's throw away from the Royal Palace.

The subsequent exchange of diplomatic notes opened what has been called a "little cold war" between Stockholm and Moscow, with relations "normalized" only years later. The thaw was not due to any Soviet discontinuation of the incursions, but to strident efforts by the Palme regime to deny

all evidence of Soviet authorship of numerous post-1982 submarine incidents.

While the Parliament's Submarine Commission did name the Soviet Union as the culprit, it avoided the issue of how the Soviet submarines were able to escape their entrapment in Hors Bay. This issue was directly addressed by Colonel Hansson's Nov. 25 statements on nationwide television, quoted in all major press.

How the Soviet subs could escape

The following excerpt is from the Social Democratic daily *Aftonbladet* of Nov. 26:

"Defense Chief of Staff Bror Stefenson made the escape of the submarines possible by refusing me permission to fire,' Lars Hansson told *Aftonbladet*. 'We saw the submarines disappear.' The rage of the officers over the Defense Staff's actions was so strong that a mutiny was close. 'Yes, I openly admit that I considered breaking orders. I was the highest operational officer of the Coastal Defense Forces and the mine-stations, and my task was to prevent the submarines from escaping.'

"I am also convinced that there was—and still is—a big spy of the Treholt type at the Defense Staff and at other military-district staffs. [Here, Hansson refers to Norwegian foreign ministry official Arne Treholt, now imprisoned as a Soviet spy.] He was somewhere between me and the commander in chief. It cannot be a coincidence, every time a submarine passes a mined area, that the mines are inactivated at exactly that time. . . . There are over 1,000 people at the Defense Staff. Somebody is an agent. In this case, a high military officer or an important middle-ranking officer in an operational position.'

"Hansson is as convinced that he would have caught the submarines in Hors Bay, had he been allowed to use his resources. 'Then, we would have sunk a submarine or forced it to surface. But they did not want to take that risk at the highest military and political level.'

"Initially, Col. Lars Hansson had permission to detonate the mines, granted by the chief of the Muskö Navy base, Rear Adm. Christer Kierkegaard. At a crisis session in the office of the commander in chief at the Defense Staff during the

submarine chase, the commander in chief put that permission to fire into question, adding extensive restrictions to it.”

‘We must prevent a bloodbath’

This crisis session occurred on Oct. 9, one day after Olof Palme returned to the premiership. In addition to the commander in chief, Gen. Lennart Ljung, and the Defense Staff chief, Rear Adm. Bror Stefenson, both now retired, the meeting was attended by Colonel Hansson and the Eastern Military District commander, Lt. Gen. Bengt Lehander. According to Hansson, Defense Staff chief Stefenson told him, “We are not going to stage a bloodbath of Russian submarine sailors.”

After two Navy conscripts first observed a submarine periscope on Oct. 1, and sonar later detected a submarine near the top-secret Muskö base in the Stockholm archipelago, dozens of depth-charges were dropped from helicopters. Although some oil spots were sighted on the surface, the precision of the depth-charges was inadequate for a direct hit. While unknown to the public at the time, the Swedish Navy knew that at least one vessel trapped in Hors Bay was a mini-submarine, and the relevant forces were alerted to a possible rescue attempt from the outside.

On Oct. 7, there were indications that a trapped submarine would attempt to break out, and Colonel Hansson obtained the first permission for Swedish military forces to detonate mines since World War II. Several 1,300-pound mines were detonated, compared to which the depth-charges were mere fireworks. Military intelligence instructed the civilian authorities of a nearby port to come up with a pretext for delaying the departure of a Polish freighter, as the submarines might well escape under cover of the civilian ship. The incident was coming to a head.

On Oct. 8, Olof Palme returned to office, and Oct. 9 the crisis session was called at the Defense Staff. The orders were given to exercise moderation, to avert “a bloodbath of Russian submarine sailors.” Colonel Hansson was backed by General Lehander, who told *Aftonbladet*, “I wanted to use the mine weapon more than the commander in chief and Stefenson wanted to. Now it was serious. They said they were terrified that we would hit our own personnel. But that I do not believe at all. I was more ‘trigger-happy’ than the commander in chief. Our weapons had to be used.

“I was not happy with the command conditions. I thought we ought to follow the chain of command used in war. Stefenson was of a different opinion—that this was so close to the government that we could not react fast enough.”

By-passing Hansson and Lehander, Stefenson on Oct. 10 traveled personally by helicopter to Mälsten Island in Hors Bay, where a mine-operator was based, ordering him to restrict the use of lethal force. The mines were only to be detonated if no less than five mines signaled a vessel in their vicinity, and even then, they were to be detonated only after delay, so as not to sink the submarine, but merely to damage it.

On Oct. 11 at 10 p.m., a lieutenant at the control panel in the Mälsten command bunker saw vessel-detection lights turn on, one after the other, until five were on. The observation post, equipped with night-seeing binoculars, confirmed that no surface vessels were in the area. The restrictive conditions had been met.

But the mine-operator could do nothing: A complete cease-fire order had been issued two hours earlier.

Colonel Hansson: “There, the mother-submarine sneaked out, with a mini-submarine attached to the hull. Toward the southeast.”

“I considered breaking his [Stefenson’s] orders. One could of course detonate a mine ‘by mistake.’ I considered it justified to fire after only one or two indications. The most important thing for me was to stop the submarine. I would probably have been court martialed had I done it.”

The timely escape of the submarine makes it certain that the enemy submarine had been notified of the cease-fire by an infiltrator, the spy to which Colonel Hansson referred. “A normal submarine commander, knowing that we had been detonating mines, does not pass over such a mined area if he knows that we are there with our fingers on the trigger. But if he knows that we are not, of course he will dare to do it.”

“Stefenson’s behavior was completely alien to normal military activity.” Hansson emphasized, “It has *never* happened before, and made our mission even more difficult. It was a horrible experience. A chief like myself with thousands of men under him *knows* how to use his resources.

“The time has come for somebody who was there to give a direct picture of what happened.”

What did Pankin tell Palme?

The Hors Bay chase occurred precisely as power was transferred from the non-socialist coalition government back to Palme, who had emerged as the winner of the Sept. 19 elections after an interlude of six years in the opposition. A few days after the elections, one of Moscow’s top intelligence operatives, the former chief of the KGB’s Service A disinformation bureau, Maj. Gen. Boris Pankin, arrived to take up the post of Soviet ambassador to Sweden.

Pankin was officially accredited on Sept. 30, after presenting his credentials to the king. Several days later, eyewitnesses reported that Palme, upon receiving “a courtesy visit” from Pankin, emerged from the room pale-faced, apparently shaken. According to military sources, whose accuracy tends to be supported by Colonel Hansson’s observations, the Oct. 11 cease-fire order was issued by Palme personally.

Six months later, at a May 6, 1983 press conference upon the publication of the Submarine Commission report, Palme showed the same concern for the well-being of Russian naval personnel that Stefenson had shown in the Oct. 9 crisis session with Colonel Hansson. Said Palme, “It was not our intention to kill 200 young human beings in cold blood. Our intention was to identify the submarine.”

Haiti: emergency OAS program needed

by Gretchen Small

The networks of the liberal establishment's secret government, Project Democracy, have chosen Haiti as the site for a new experiment, the maintenance of the same economic policies as the old Duvalier regime, through democratic "elections" imposed by international force.

Haiti's government canceled national elections on Nov. 29, after paramilitary thugs machine-gunned voters at the polls. Project Democracy ordered economic war launched against Haiti, demanding it accept an international military force to run new elections. The State Department canceled military aid and \$62 million in economic aid. With the World Bank and other nations joining, Haiti stands to lose an estimated \$50 million in December alone.

On Dec. 2, Rep. Dante Fascell (D-Fla.) suggested a bill be drawn up to impose an embargo on economic and military aid to Haiti, embargo trade, lift all favorable import tariffs existing under the Caribbean Basin Initiative, and give planned military aid to opponents of the regime instead.

Haiti must indeed get emergency international assistance to survive as a nation: *economic* assistance, from food shipments to infrastructure construction, which can build a basis for sustained economic growth in the future. Without that, all other action will feed into a civil war of unprecedented barbarity. The Organization of American States provides the appropriate forum in which such an emergency economic mobilization must be organized.

'Democratic' genocide?

For more than 25 years under the Duvalier regime, Haiti was used as an experiment in how primitivist religions, tribalism, cults, and drugs can control a population, under conditions of austerity. The project was run by a gang of international psychiatrists associated with British Intelligence's Tavistock Institute. Their social-control mechanisms—the Ton-Ton Macoutes, the political police run by the voodoo priests, are only the most infamous—are still active.

The Duvalier dynasty left another legacy as well. Under its rule, Haiti became the poorest country in the Western Hemisphere, and one of the poorest in the world. More than 80% of the population live at, or below, the absolute poverty level, and earn under \$150 a year.

In 1986, Haiti's 6 million people still had an average life expectancy of under 55 years. The major causes of death are the diseases of poverty: typhoid and malaria, tuberculosis,

intestinal infections. In the 1980s, AIDS joined that list, rising to epidemic levels in Haiti before it had even been identified elsewhere.

The physical economy of the nation is minimal. In 1980, fully 57% of the labor force still worked in agriculture, with 55% of the arable land devoted to subsistence crops. Industrial activity is limited to foreign assembly plants producing for export, plants attracted to Haiti by tax incentives and cheap labor.

Communications, transportation, and sanitation infrastructure exist primarily in the capital, Port au Prince. In 1980, only 12% of the population had "reasonable access" to a safe water supply.

Energy production in Haiti provides the best indicator of economic backwardness: at the opening of the 1980s, eighty-five percent of the country's total energy consumption came from charcoal and firewood, which even powered its oil refineries! The reliance on 15th-century technologies has created an ecological holocaust. The burning of trees for charcoal deforested large areas, creating severe soil erosion and spreading deserts. Experts warn that if deforestation does not end, there will be no arable land left in Haiti by the year 2000.

When "Baby Doc" Duvalier and his family were flown out of Haiti on a U.S. Air Force jet on Feb. 5, 1986, the U.S. State Department announced aid to Haiti would be resumed, once the new regime promised to bring in "democracy"—and go to the International Monetary Fund.

The IMF and the U.S. Agency for International Development (AID) have been seeking ways to "modernize" the Haitian economy—without changing its fundamental parameters—for the past decade. In 1980, a team of "cultural anthropologists" drew up AID's long-term development strategy to, in the words of AID itself, cohere with the "Haitian peasant worldview."

Industrial development is ruled out. Energy conservation is proposed to resolve the crisis of "severe environmental degradation" caused by dependence on charcoal. The "lack of funds" for education requires concentrating on a "limited effort in human resource development," AID argued. And, as usual, cutting back population growth was assigned a high priority.

That program has not changed. In its 1988 fiscal year request, AID calls the new post-Duvalier government's efforts to "liberalize the economy and promote private sector investment," its key success. (AID's rural malaria workers, they report, now also "distribute family planning commodities.")

After Duvalier left, Project Democracy poured money—at least \$8 million—into establishing an election apparatus, the Provisional Election Council, under the control of Project Democracy's National Endowment for Democracy. Instead of living conditions, Haitians were to be given "the right to vote:" a population in which 80-90% are illiterate—as is the case in Haiti—told to choose among 23 presidential candidates!

The cocaine pushers' 'Honduras Connection'

by Valerie Rush

When cocaine kingpin Jorge Luis Ochoa was busted by Colombian police Nov. 21 for doing 110 mph in a 50 mph zone, he was driving a late-model white Porsche, later identified as the property of one Col. William Said, military attaché at the Honduran embassy in Bogotá. The embassy issued a statement that the car was being used "without authorization of the owner," denying any connection between Said and Ochoa. The Colombian government has nonetheless requested Said's replacement.

This latest evidence of "the Honduras Connection," if pursued correctly, could lay bare not only the continent-wide operations of Colombia's Medellín Cartel, but also a vast network of arms- and drug-smuggling that lies at the heart of the United States's Iran-Contra affair.

During April 1986 congressional hearings into the alleged drug-smuggling activities of the "Contras," Assistant Secretary of State Elliott Abrams personally testified that the Honduras-based Contra organization, the FDN (Nicaraguan Democratic Force), had no ties to the drug trade. FDN president Adolfo Calero also dismissed the idea, because Honduras "has never been known as an outlet for drugs."

Readers of *EIR* will remember, however, the March 19, 1987 "escape" from a Colombian jail of Honduran drug czar José Ramón Matta Ballesteros. A partner of the Medellín Cartel and owner of vast properties inside Colombia, Matta Ballesteros returned to Honduras, despite a double homicide charge awaiting him, and turned himself in to the police, bragging that he would buy himself out of jail. A few months later, he was freed by the courts.

Matta was already a leading drug trafficker when he left Honduras for Colombia in the late 1970s. His networks soon extended from Colombia to Honduras, Costa Rica, and Mexico. Upon his return to Honduras, Finance Minister Reginaldo Panting said, "We welcome the dollars that Mr. Matta Ballesteros has brought to invest in Honduras, and if he wants to buy up gasoline stations, I will sell him mine." Today Matta lives like a folk hero, giving interviews and promising to build "business schools."

While Matta "hides out" in Honduras, with no U.S.-Honduras extradition treaty to threaten his secure haven, it appears that he is pulling strings to help out his Medellín Cartel partner as well. One day after Ochoa's arrest in Colombia, a Honduran judge made it known that he is seeking

the extradition of Ochoa to his country, allegedly because of Medellín Cartel operations on Honduran territory. Should Honduras actually formalize such an extradition petition, it would not only sabotage ongoing efforts to extradite Ochoa to the United States, where he has been indicted on multiple drug trafficking, homicide, and racketeering charges, but would give the cartel boss the same safe haven as Matta.

The U.S. government silence on the Honduran drug connection is remarkable. Despite the fact that Matta Ballesteros was arrested in Colombia, as the alleged "intellectual author" of the 1985 mafia assassination in Mexico of Drug Enforcement Administration agent Enrique Camarena, Matta's disappearance from a Colombian prison and hero's welcome in Honduras did not elicit a peep of protest from the State Department. The 1986 mid-year review published by the State Department's Bureau of International Narcotics Matters inexplicably made no reference to Honduras, despite its long-standing role as a drug-smugglers' port-of-call.

A clue to this silence may be found in recent U.S. congressional revelations that Lt. Col. Oliver North, formerly of the National Security Council staff, worked closely with the Central Intelligence Agency, State's Elliott Abrams, the Justice Department, and the Reagan White House to try to get former Honduran military chief of staff Gen. José Bueso Rosa freed from a U.S. jail, where he was serving time for his role in a 1984 conspiracy to assassinate then Honduran President Roberto Suazo Córdoba.

Bueso Rosa had worked closely with Abrams, the CIA, and the U.S. military, among others, in setting up logistics, bases, and support for Contra rebels in Honduras, and North was fearful that unless released from jail in a hurry, Bueso Rosa "might spill the beans" on U.S. covert operations. Bueso had surrendered to U.S. authorities and pleaded guilty to the conspiracy charges, apparently with assurances that he would do "a few weeks' time" at best.

Not mentioned in the congressional revelations are the fact that the assassination plot Bueso Rosa is accused of directing was financed with \$10 million worth of cocaine. Bueso Rosa's part in the assassination plot against Suazo was actually orchestrated from the top by his boss, former Honduran Defense Minister and "strong man" Gen. Gustavo Alvarez. It was in 1982 that Alvarez, in collaboration with then Israeli Defense Minister Ariel Sharon and then U.S. Ambassador John Negroponte, helped convert Honduras into a "safehouse" for the drug- and arms-smuggling apparatus which serviced the Iran-Contra deal. Alvarez was ousted from power in a bloodless March 1984 coup, but many of his collaborators are now back in Honduras—no doubt in league with Matta Ballesteros.

Then, of course, there was the Nov. 18 seizure by U.S. federal agents in Miami, of a shipping container from Honduras, containing a record four tons of pure cocaine. It would seem clear that the drug trade is alive and well in Honduras, all protestations from the U.S. State Department notwithstanding.

Runcie's Anglicans, AIDS, and the Devil

by Mark Burdman

The unwashed Orthodox monks of Mount Athos and the Church of England hierarchy under Archbishop of Canterbury Robert Runcie have two things in common. Both are convinced of the superiority of mystical irrationalism over Western Christianity; both face an epidemic of AIDS in their midst.

On Nov. 10, the Italian daily *Corriere della Sera* claimed that there have been three AIDS cases reported on Mount Athos, causing "preoccupation" at the monasteries there. The paper claims that the "etiology" of the AIDS spread is not known, and health authorities have begun an investigation. Sources on Mount Athos are denying that homosexuality is the cause. Those familiar with conditions on the peninsula would point to some combination of filth and buggery, as the place to begin any AIDS investigation.

EIR has meanwhile learned from individuals in a position to know, that the Church of England is sitting on an AIDS timebomb.

The church will not have helped matters with the attitude taken toward homosexuality on Nov. 11, during a session of the Church General Synod. In the face of pressure from growing sections of the lay membership to assert moral leadership, the synod passed a resolution, by a vote of 403-8, that placed homosexuality at a lesser level of moral condemnation than adultery and fornication, and which simply omitted reference to, and thereby rejected, a call by a small minority of clergy, for expelling "gay" clergy.

The resolution began by stating "that sexual intercourse is an act of total commitment which belongs properly within a permanent married relationship," and went on that "fornication and adultery are sins against this ideal and are to be met by a call to repentance and the exercise of compassion." Only after this, did it say "that homosexual genital acts also fall short of this ideal and are likewise to be met by a call to repentance and the exercise of compassion." Homosexuality is not even formally classified as a "sin"!

This resolution was overwhelmingly passed in spite of, or because of, reams of evidence of the spread of homosexual activism among the Anglican clergy, particularly among a core of 400 or so members of the Gay and Lesbian Christian Movement, headed by the Rev. Richard Kirker. Synod participants were presented with dossiers of evidence of churches being used to distribute homosexual pornography, and

clergy engaging in promiscuous homosexual activity. One organization, Childwatch, is demanding a probe into homosexual clergy molesting children.

The Sunday *Telegraph's* lead front-page story Nov. 15 carried the banner headline, "The Church would collapse without us, says gay vicar." "It is because I am homosexual that I have been called to the priesthood," East London vicar Rev. X, preferring to remain anonymous, tells the weekly. Without any apparent reference to Christianity, he says, "There are more gays in the Church than in most professions. I remember the principal at my college saying that if it weren't for gays, the whole thing would collapse. . . . [T]here's a very close relationship between spirituality and sexuality. They are both fundamental things. They are both about creation. People are created homosexual."

The article reported the Gay Christian Movement's estimate that up to 30% of Britain's clergy are either homosexual or heterosexual with homosexual leanings. There is no estimate about which "leanings" are "created homosexual."

'An epistle to Sodom and Gomorrah'

On Nov. 12, the conservative *Daily Telegraph* of London, under the heading, "Moral Compromise," attacked the "present distressing state" of the Church of England. Also writing in the *Daily Telegraph* Nov. 12, "Synod Sketch" commentator Godfrey Barker began, "The Archbishop of Canterbury gloomily opined yesterday: 'If St. Paul were to write an Epistle to the Church of England, we might well ask what sort of letter it might be.'"

"An epistle to Sodom and Gomorrah is the answer. . . ." Barker sketched Runcie sitting "as frozen as Lot's wife," as one clergyman, Rev. Tony Highton, "lifted a corner on Anglicanism and sin," and his collaborator, Rev. D.R.J. Holloway, accused the Church of being guilty of the "Gnostic heresy on sex." Barker added that the formulation that "homosexual genital acts fall short of God's ideal" is a noticeable departure from St. Paul's language: "an abomination and perversion." He concluded that, as a result of the 403-8 vote, "the Church survives. So, by large majorities, does sin."

On Nov. 14, the *Daily Express* published a compelling "message," under the heading, "A devilish trick on the Archbishop," which stated, "As the General Synod continues to debate theological questions beyond the comprehension or moral understanding of much of its Flock, there are those who wonder whether the Devil has invaded the Anglican Church."

He has. He is inside the Archbishop of Canterbury's head. The article reported that, at Church headquarters, Lambeth Palace, there is a bust of "the Most Rev. and Rt. Hon. Robert Runcie, 102nd Primate of All England," inside of which there is a "small and fiendish figurine," implanted by sculptor Nigel Boonham. Boonham calls this figurine an imp, "a child of the Devil." Runcie "just smiled" when he learned of this, Boonham told the paper.

Satan as a social-democratic spook

by Lyndon H. LaRouche, Jr.

Peter Sager is a Swiss lower parliamentarian who styles himself the “senior editor” of what is, in fact, an astonishingly trivial biweekly, named the *Swiss Press Review and News Report*. This obscure admirer of the U.S. social-democratic hoaxster Roy Godson would probably have escaped my attention, but for the vigor with which he avows himself my adversary.

After examining Vol. XXVIII, No. 23 of his publication, dated Nov. 16, 1987, one presumes that its subscribers have motives other than the publication’s content. To wit: This particular edition consists of five letter-sized, typescript mimeographed pages of Roy Godson’s variety of social-democratic sentimentality: No tidbits of intelligence, nor actual thinking, original or copied, are to be found in any of the four topical entries in the edition. In form, and literary quality of content, it suggests some Trotskyist or kindred splinter-group’s mail-drop publication.

Two among the edition’s five pages are occupied by the transcript of what is putatively an address Sager had delivered to the 78th Conference of the Inter-Parliamentary Union. The text blends globs of broad-brush statistics on Africa as a whole with an outrageous echo of the late Bertrand Russell’s sort of malthusian racist’s lying respecting the causes for Africa’s distress. It is what a Berne-based, right-wing Fabian spook might esteem as a gentleman’s public advocacy of genocide—“within the space of a generation,” on a continental scale which might either horrify an Adolf Hitler, or perhaps gratify him immensely.

Nonetheless, Herr Sager is ostensibly well-connected, and his mail-drop publication adopts no sentiment it does not recognize to be in vogue among relevant circles to which it implies itself connected. It is a tip sheet on attitudes to be overheard expressing if the reader wishes to be considered socially acceptable among the hangers-on of those relevant circles. The working point is, that the racist malthusianism

of Herr Sager’s address is in vogue, and widely.

More virulent is current effluvia of French Sen. Henri Caillavet, honorary chairman of both the Association for the Prevention of Handicapped Childhood and the French Society for the Right to Die with Dignity. “We already accept passive euthanasia, in that sense, and it is an easy jump to active euthanasia, helping people to die.”

What is in vogue, and spreading around the world, is the use of psychological-warfare techniques to induce in populations a toleration of, and callousness toward malthusian mass-murder on a scale far beyond that of which the Nazis were accused at Nuremberg. That is the significance of the fact that Herr Sager’s proposals of genocide might be tolerated from the speaker’s platform of the 78th Conference of the Inter-Parliamentary Union.

More directly to the point are additional remarks by M. Caillavet: “We found, to our satisfaction . . . that a majority of Catholics, especially practicing Catholics, were in favor. So, we expect no problem in France. Euthanasia will especially receive support in France, because the religious aspect of life has been almost destroyed.” Again, as in the case of Sager, Caillavet’s observation reflects the use of psychological warfare methods akin to Josef Goebbels’s famous technique of the constantly repeated Big Lie, to destroy Western civilization from within, by destroying its moral fiber at the root.

The socialist roots of Nazi-like euthanasia

Sager’s advertised U.S. connection is Roy Godson. Godson is in the good graces of one Richard Mellon Scaife, of the relevant Mellon and Scaife families, a most virulent adversary of mine, a conduit of Soviet disinformation, and a passionate liar. It is not surprising, that Godson is also a social-democrat with strong Soviet Chekist strains in his political ancestry.

Through both connections, Godson rose to become part of what U.S. Sen. David Boren has denounced as the “secret government” of the United States, built up under President Reagan’s Executive Orders 12333 and 12334, and under the auspices of an Act of Congress establishing the Irangate-linked National Endowment for Democracy (NED), and NED’s operating arm, Project Democracy.

Godson is the son of the late Joe Godson, a social-democrat attached to the Chekist circles of Bukharinite Jay Lovestone, Irving Brown, et al., which has taken over a major section of the U.S. postwar intelligence community through such arms as the AFL-CIO international department, and all with aid of association to the circles of the head of the British freemasonry-allied U.S. branch of the Order of Malta, Peter Grace, and to David Rockefeller’s Trilateral Commission, the latter formerly including such varied figures as President Jimmy Carter, Vice President Walter Mondale, and Vice President George Bush.

His recent nesting places in the U.S. intelligence community have included Lovestone associate Leo Cherne’s Intelligence Oversight Board, a consulting position with the National Security Council, and a broader consulting position as specialist in Soviet disinformation. He is also a key target of criminal inquiry in the Irangate affair. In these positions, Godson has been most notable as a caught-redhanded conduit for spread of Soviet-authored psychological-warfare disinformation into the U.S. and Western European intelligence community. One more than suspects, in the social-democratic environment of Roy Godson: once a Soviet Chekist, always a Soviet Chekist, often to the second and third generation.

In short, Roy Godson is very much “connected,” as the popular cant has it, perhaps much more “connected” than his credulous U.S. sponsors have been willing to consider.

One must not suspect all social-democrats of being evil in general, or Soviet assets more particularly. There is awful injustice around the world, and the fight against injustice attracts men and women of good will to socialist and other movements, much as a hungry man might enter a restaurant without prior security checks into the backgrounds of the proprietor or kitchen staff. One must not write off social-democrats categorically simply because the underlying philosophy of ideological social-democracy is evil.

However, there is a strain of Menshevik, including oppositional spin-offs from Western branches of the former Communist International, which has the same mentality of hatred against Western civilization as the Bolshevik. This strain, like the anarchosyndicalist followers of Mussolini, has deep philosophical affinities to the “New Age” aspect of protofascists and fascists such as Dostoevsky, Burckhardt, Nietzsche, and so on. Philosophically, ideological social-democracy and fascism are twins, the Romulus and Remus of the theosophical “New Age” movement of the late 19th and the 20th centuries.

In a word, both, like the overt Lucifer-worshippers of Aleister Crowley’s theosophical cult, are satanist, and are committed, like the Bolsheviks of yesterday and today, to exterminate the heritage of Western Judeo-Christian civilization, and to exterminate in one way or another the carriers of that cultural heritage.

As aging social-democrat of pro-Soviet past, I.F. Stone, boldly asserts this fact, ideological social-democracy echoes the treasonous Democratic Party of classical Athens, then an asset of the Syrian Magi controlling the Persian Empire, and that party’s ritual murder of Socrates. More broadly, the “New Age” movement and its theosophy, in entirety, are a product of the same Romantic movement which produced the French Jacobin terror of the 1790s, and, through the influence of Lausanne’s notorious Madame de Staël, the 19th-century Romantic movement in Germany. This Romantic movement harked back, and fully consciously so, to the Roman Empire of Nero, Tiberius, and Diocletian, determined to destroy the heritage of St. Augustine, and to restore pre-Christian paganism in various gnostic disguises.

From the point of the 1815 Treaty of Vienna, as this Romantic insurgency proceeded with increasing boldness, it became increasingly overtly theosophical. From this theosophical turn in Romanticism, emerged the modern socialist and fascist movements, as theosophy’s mass-based battering-rams against the institutions of the industrialist form of modern nation-state. The connection between John Ruskin’s theosophical Pre-Raphaelite Brotherhood and the establishment of British socialism and Fabianism, are merely the English-speaking expression of this.

The Bolshevik oligarchical dynasty in Moscow has recognized this with increasing precision and effectiveness. While it continues to employ the Marxian forms of insurgency associated with the original form of the Communist International, the Soviet state relies with increasing emphasis upon theosophical movements within the West as the chief Soviet strategic asset for accomplishing subversion of the culture, economy, and political life of the West. Neo-malthusianism, “post-industrial society,” the rock-drug-sex counterculture, and gnostic innovations in pseudo-Christianity, are the principal assets adopted by Soviet intelligence for this latter purpose.

Hence, in West Germany, the radically countercultural Green Party is the principal cover for Soviet-directed capabilities of paramilitary violence, terrorism, sabotage, riots, and related subversion. The relations to East Germany and Moscow are numerous, both direct and indirect. The current maximum leader of the party is a witch, Jutta Dittfurth; a witch-cult highly visible in the Green Party’s parliamentary section recently danced naked (“skyklad”) in the streets, in a pro-satanist protest against the visits of Pope John Paul II. Whether Dittfurth travels to and from Moscow by broom, or not, is not a settled question. She has participated in a secret meeting with Soviet leaders there, and issued from there her

statement of support for paramilitary shooting of West German police.

In the United States itself, the official worship of Satan, the so-called Wicca cult, is increasingly emboldened, demanding that the Christian churches give way to the full "religious rights" of practitioners of "the old religion." This is the fruit of a project unleashed as part of the new-radical movement's radical-feminist organizing of 1969-70, and promoted extensively during the 1970s by the late Gregory Bateson, a Crowleyite operative then based out of the Lindisfarne, Long Island subsidiary of the New York Episcopal diocese.

Otherwise, the U.S. social-democratic cronies of Roy Godson and AFL-CIO President Lane Kirkland have become increasingly integrated with the defense of the drug-lobby and drug-traffickers. This is characteristic of the recent programs of the League for Industrial Democracy (LID), an original sponsor of the "New Left" in the U.S.A., and long-standing center of Fabian operations inside the United States. The Soviet-linked ADL is integrated with LID and the AFL-CIO's international department on these accounts.

Ideological social-democracy, Bolshevism, and satanism are facets of one and the same theosophical phenomenon.

More profound analysis of the sickness

The attack on the sacredness of human life, which has been skyrocketing in the West since the middle 1960s, is probably the most important of all of the actions taken in the common interest of satanism and Moscow during the past quarter-century. This phenomenon is described by some specialists, including some associated with the London Tavistock Institute and its far-flung network of professional psychological and psychoanalytical associations, as a "cultural paradigm shift." To understand in full the evil which Peter Sager and M. Caillavet are spreading, the principles of such a "cultural paradigm shift" must be grasped with a certain degree of rigor.

To that practical purpose, the mechanisms of a cultural paradigm shift must be given an intelligible representation to the reader. We begin this representation from the standpoint of a formal, axiomatic-deductive logic.

Every consistent, open-ended system of theorems in such a formal logic says no more than is already implied, and required by the set of axioms and postulates from which each and every theorem of the system is directly or otherwise derived. This is sometimes termed "the hereditary principle" of axiomatic-deductive logic. It is a principle famously examined by the Socratic dialogues of Plato. Thus, we can define the properties of every possible theorem within any one such axiomatic-deductive system of logic by focusing attention upon the set of axioms and postulates alone.

Consider, as illustration, what occurs when a scientist introduces a valid fundamental discovery. In every such case, the proof of that hypothesis requires science to overturn at

least some among the ontological and methodological axioms and postulates of all previously established scientific opinion. In that sense, the set of axioms and postulates underlying the new system of scientific thought are not the same as the set of axioms and postulates defining the previous system of scientific thought. No scientific theorem in the new system is consistent with any scientific theorem in the old system.

To be assured our point is made as clearly as the present matter requires, let us amplify what we have just stated.

For first approximation, let us assume that all physics could be stated as an open-ended system of mathematical formulas. (This is not true, but taught mathematical science, especially on the secondary school and university undergraduate levels, usually assumes that this is the case.) This implies the organization of axiomatic-deductive logic typified by Euclid's *Thirteen Books of the Elements* is a model for an algebraic system consistent with Descartes' analytical geometry.

So, assuming this to be possible, we would organize physics-knowledge so. We would begin by stating the axioms and postulates. We would then define the first theorems directly derived deductively from nothing but the initial set of axioms and postulates. Thereafter, we would combine the set of axioms and postulates with theorems previously proven so, to derive new theorems. The result is an expanding lattice-work of such deductive theorems, which the novice mathematician might assume to cover potentially all possible physics.

Now, imagine that a physicist conducts an experiment, which proves absolutely that one of the theorems of existing scientific knowledge is false. In such a case, every theorem in previously accepted scientific knowledge is also proven to be false. In other words, this single sort of crucial experiment proves that there is an error in the underlying set of axioms and postulates of established scientific opinion.

So, the set of axioms and postulates must be changed in a manner which accomplishes the necessary correction. As a result, every theorem in the previously established lattice must be changed to reflect the alterations in the set of axioms and postulates. Mathematically, many of the theorems of the old system will appear to be identical with their corresponding element in the new; that appearance is misleading, and false. No theorem in the new is consistent with any theorem of the old.

In practice, scientific revolutions do not lead directly and immediately to such a sweeping reconstruction of all pre-existing mathematical formulations. Most of the old theorems are used in daily practice with the qualifying observation that they remain true *to a certain degree of approximation*. It were better said: *a certain margin of built-in error*. As a result, in practice, most taught and practiced scientific knowledge is a rather sloppy accumulation of ever-increasing *margins of error* in particular formulations used.

In principle, our point is true: No theorem in the old system is consistent with any in the new, and vice versa. This

shift illustrates the significance of the term "cultural paradigm shift." The distinction to be made is, that we have illustrated the case for mathematical physics; "cultural paradigm shift" is employed customarily to signify changes in the axiomatic assumptions upon which people based their choices of social values.

The essential axiom which distinguishes Western Judeo-Christian culture from pagan culture generally, is the way in which the value of the life of the individual human personality is defined. All of Western culture's ideas respecting the qualities of God, mankind, and nature generally are coherent with this "axiomatic" notion of the sacredness of human life. Remove that one "axiom" from the prevailing belief of the population and ruling institutions of Western nations, and Western culture as a whole collapses rapidly, even into outright savagery.

Neo-malthusianism today argues: Saving cancer patients' lives costs more than we can afford; let them die. Older people are useless eaters; let them die. Crippled children are useless eaters; let them die. There are too many dark-complexioned people in the world; let them sharply reduce their numbers within "the short space of a generation."

Christianity says, society's economic policies must adjust themselves to the requirements of defending the sacredness of human life. Modernism says: The defense of human life must be adjusted to the requirements of continuing our present economic policies. So says the Reagan administration on the issue of the cost of AIDS. So said President Reagan, in stating before the United Nations General Assembly, that "development is not a right." This shift in axioms, this cultural paradigm shift, is pure satanism. It expresses the satanic point of view, and is a policy which, if adopted, ensures that the entire society becomes satanic.

The practical difficulty, is that most people live naively within a system of thought regulated by a set of axioms and postulates. They are unconscious that these axioms are variable, and usually not aware even that they exist as axiomatic assumptions. They are simply "The way I think."

This popular ignorance of the fact that all conscious behavior is regulated, as are formal theorems of logic, by such underlying, and variable "axiomatic" assumptions, renders most of mankind highly vulnerable to subtle methods of psychological conditioning, by means of which their entire way of looking at the world is radically transformed, without the victim's being aware of either how this has been accomplished, or of any rightness or wrongness in the change effected. The new way of thinking becomes simply, naively, "The way I think." So are entire cultures lured to their self-destruction, as Western civilization is destroying itself, to Moscow's advantage, today.

So, on this issue, we must absolutely draw the line against such hod-carriers of Baal as Roy Godson's Swiss admirer, Peter Sager, Senator Caillavet, Jeremy Rifkin, and the Club of Rome set generally.

Soviets, OSI open

by Mark Burdman

Neil Sher, the head of the U.S. Department of Justice's Office of Special Investigations, spent most of the week of Nov. 23 in Great Britain, meeting with Home Secretary Douglas Hurd and others, to pressure Britain into adopting "war crimes" legislation, which would allow for the creation of a new government agency modeled on OSI.

Britain has become the latest focus in a global organizing offensive by Soviet "justice" officials and the OSI, which is occurring, lawfully, in the period leading up to the Dec. 7 Reagan-Gorbachov summit. Using the emotionally laden and media-manipulated "Nazi war crimes" issue, the aim is to introduce Soviet methods of evidence-gathering, prosecution, and "justice" into Western countries, and thereby, to facilitate the political targeting of individuals and groups that the Soviets and their friends want destroyed.

Britain is presently the only major country in the English-speaking world that has not passed enabling "war crimes" legislation. During the same week that Sher was in Britain, the Australian Parliament was passing a War Crimes Amendment Bill, which enables the prosecution of alleged Nazi war criminals living in that country. This legislative action coincided with the announcement of final preparations for Australian Prime Minister Bob Hawke's four-day visit to the Soviet Union during the week of Nov. 30, at the head of a large delegation of businessmen and government officials. While much more is involved here than the "war crimes" issue, the latter is an important signal to the Russians.

Earlier, on Sept. 16, Canada, like Australia, a central country in the Queen's Commonwealth structure, had passed a "war crimes law," which would allow for the prosecution of suspected Nazi war criminals living in Canada, even if their crimes were committed elsewhere. On Nov. 24, the *Jerusalem Post* reported that OSI stalwart Elizabeth Holtzman, New York District Attorney for Brooklyn, had been in Canada during the previous days, speaking at a conference on "Nuremberg: Forty Years Later." She complained that Canada's legislation did not go far enough, since it only allows for prosecuting suspected war criminals, rather than deporting them, and fails to establish a national authority for

British campaign

prosecuting them. She regretted that Canada had not gone so far as to create its own OSI.

During the same eventful week of Nov. 23, the files of the United Nations War Crimes Commission were opened for the first time. Sher hailed this as “a major development,” which would greatly expedite Justice Department-OSI “Nazi-hunter” activities. As *EIR* has reported, the Soviets have greatly stepped up their involvement in the U.N. lately (see “Mayor Zaragoza caper at UNESCO tickles the Soviets . . . pink,” *EIR*, Nov. 13, 1987).

No sooner had Sher left Britain, than *EIR* received information from Israeli sources Nov. 30, that another visitor was soon expected in Britain: Madame Natalya Kaleshnikova, the leading adviser to the Soviet justice ministry on “Nazi war crimes.” Kaleshnikova’s assigned mission would be to present Soviet evidence implicating 71-year-old Lithuanian emigré Antanas Gecas, of Edinburgh, in war crimes.

The case was also a focus of Sher’s activity in Britain. *The Independent* daily reported Nov. 28 that Sher had “offered the Home Office every assistance” in strengthening the case against Gecas. The Gecas case is supposed to be the foot-in-the-door for establishing the OSI-like structure in Britain. Should the Home Office accept the OSI and Soviet evidence against Gecas, this would establish a precedent. One well-informed source says that 200 such cases are soon to be made public in Scotland alone.

A British source said that “there will be a great surprise here if Home Secretary Hurd did *not* announce in the House of Commons before the Christmas recess, an amendment to the Criminal Justice Bill, allowing for prosecution of alleged war criminals.” Passage of the proposed legislation would be guaranteed soon thereafter. Following this, it is likely that an extradition treaty would be signed between Britain and both the U.S.S.R. and Israel, and that a unit would be created, within the C5 branch of the Home Office—an investigative branch outside the normal police structure.

At the same time, there is reportedly little enthusiasm in official British circles for creating an OSI structure. As one London journalist commented, “If it were done, it would be

to feed the hungry wolves, who are demanding that something be done—not because anybody loves the idea.”

Some Soviet motivations

“Hungry bear,” might be the more appropriate image from the animal kingdom.

Since its inception, the OSI has been an instrument for Soviet propaganda, intelligence penetration, and destabilization of the United States.

One individual involved in lobbying for its creation; for example, Communist Party, U.S.A.-connected “Nazi hunter” Charles Allen, had been a leading figure in the U.S.-East German Friendship Society, who wrote a book in 1963 that contained the charge, “NATO is the Fourth Reich; its ambition is to conquer Eastern Europe.”

The OSI was created in the late 1970s, thanks to the efforts of pro-Soviet networks in the U.S. State Department, the Justice Department grouping around Mark Richard, and such lawyers’ groups as the International Law Association, the Lawyers Alliance for Nuclear Arms Control, and sections of the American Bar Association.

The Soviets have a strong interest in manipulating the “Nazi war crimes” issue to their own special advantage.

First, it is a good way of diverting attention away from, and covering up, their 1939-41 collaboration with Hitler, especially the secret protocols of the Hitler-Stalin Pact which involved crimes against humanity against the populations of Eastern Europe. Mikhail Gorbachov has recently reaffirmed Soviet refusal to repudiate the Hitler-Stalin pact.

Second, it diverts attention from the U.S.S.R.’s own vast cooperation with terrorist assets of the Nazi International, and the growing, virulent anti-Semitism and national socialism in the U.S.S.R. today. One might easily pose the challenge to those groups, Jewish and otherwise, who find themselves cooperating with the Soviets in hunting alleged Nazis: “If you want to find Nazis, go to today’s Soviet Union, and visit the offices of the patrons and members of the Pamyat organization.”

Third, cooperation with the OSI and like agencies provides a channel for political operations against Eastern Europeans living in the West, especially at a time of growing challenges inside Eastern Europe to Soviet tyranny.

Fourth, Soviet-DOJ cooperation perverts Western justice, and sets up Soviet star-chamber procedures. Whatever Estonian-born, Long Island, U.S. citizen Karl Linnas did or did not do in the 1940s, he was deported to the Soviet Union in his old age on the basis of a bogus *civil* procedure, and then died of a “heart attack” in the Soviet Union. The “Ivan the Terrible” case in Jerusalem against Ukrainian-born Cleveland autoworker John Demjanjuk was set into motion by 1981 discussions between then OSI head Allan Ryan and the late Soviet prosecutor Rudenko, the notorious forger in the Stalin purge trials. The case hinges on an identity card procured from the Soviets on behalf of Israeli authorities, by

Armand Hammer, in 1987 (see "Soviet forgery cited in Israel's Ivan trial," *EIR*, Nov. 20, 1987).

Fifth, the Soviets propagandistically use the "Nazi" label against strategists, scientists, and military figures in the West whom they regard as threatening. This has been done against Lyndon LaRouche. It was also done in the OSI's witchhunt against Arthur Rudolph, the German-born rocket-scientist who was instrumental in building the U.S. nuclear-rocket program, and who was deported to West Germany on the basis of OSI evidence that West German investigators later found to be totally without substance.

Last, the Soviets and their Western counterparts behind the OSI want to drum up media spectacles about past Nazis, at a time when the advocacy and practice of actual Nazi policies today are expanding, whether it be the advocacy of legalized euthanasia in the Western media, calls for "population reduction" by politicians in Europe, Soviet genocide against Afghans, or proliferation of "New Age" drug-rock-sex "counterculture" movements in the West, which have an identical belief-structure to the core Nazi leadership.

The 'Nazi' caper in Britain

In Britain itself, it has been the "Anglo-Soviet Trust" apparatus that has created the atmosphere for acceptance of Soviet-OSI operations.

The campaign got off the ground in January of this year, with a Scottish Television broadcast, called, "Britain: The Nazi Safehouse." The essential theme of the show, was that, in the immediate postwar period, British government agencies allowed former Nazi collaborators, mostly from Eastern Europe, to settle in Britain, after having been placed in internment camps.

This and related themes were picked up later in the year by the British Broadcasting Corporation's Tom Bower, who also wrote several exposés for the *Times* of London during 1987, which rival the Soviet propaganda apparatus in their degree and intensity of disinformation. In his historical accounts of British government actions in the postwar period, Bower has relied extensively on the testimony of Sir Fitzroy McLean, an important figure in the "Anglo-Soviet Trust."

One of Bower's extravaganzas this year, was a February series in the *Times*, claiming that the U.S. Apollo moon landing was a triumph for Nazi-German science! The first of the series, on Feb. 9, had the absurd title, "A Nazi Fire on the Moon." On Feb. 20, a BBC-television version of this came out, under the title, "The Paperclip File," the content of which was taken in significant part from the work of the OSI's Eli Rosenbaum. Bower has also begun to target "Nazis" who have helped develop Britain's aerospace and submarine capabilities.

Bower is not the only stalking-horse for this dirty Soviet operation in Britain.

An outspoken figure in the All-Party Parliamentary War Crimes Group is Labour Member of Parliament Grenville

Janner. Janner maintains close ties to the old advisory group around ex-Prime Minister Harold (now Lord) Wilson, whose own ties to the U.S.S.R. are a matter of controversy to the present day.

A second important figure is former Labour Defense Minister Roy Mason. Mason was a close collaborator of the late Joseph Godson, a State Department/social-democratic operative whose son, Roy Godson, has become an important asset of the Soviet disinformation apparatus during the 1980s.

Also central to the "Nazi hunter" milieu in Britain, is the magazine *Searchlight*, which collaborates closely with Soviet and East German intelligence and with the East German intelligence front in the Federal Republic of Germany, the VVN.

'Morally dubious'

It can be expected that OSI-Soviet operations will meet with opposition from segments of the British Establishment, however.

A foretaste of this, was an article in the Nov. 27 *Daily Telegraph* of London's "Way of the World" column, which blasted the Home Office for reportedly having come to an agreement to prosecute 30 "suspected Nazi war criminals" on the basis of information supplied by the Soviet embassy in London and the Simon Wiesenthal Center in Los Angeles. "They are understood to be Lithuanians, Latvians, and White Russians," according to the report, "now accused of collaboration with the Germans and of committing various atrocities during the war, who were granted British citizenship in the fifties and sixties."

Pressure to amend the law is coming from the All-Party Parliamentary War Crimes Group, representatives of which are gloating, "We will be seeing war crimes trials at the Old Bailey within a couple of years," and that a change in the law "would represent a major victory for the pressure which has come from the public."

"Has it?" the columnist continued. "What public? It certainly has not come from any member of the public I have ever come across. Do we want to see 'war crimes trials' at the Old Bailey or anywhere else in this country? The whole concept of 'war crimes trials' is morally dubious. Their conduct, from what we know of them, is not consonant with British justice, however much it may appeal to the Soviet embassy and Mr. Wiesenthal.

"It is 42 years since the war ended. It was a war in which atrocities were committed by all kinds of people, and not on one side only. Is there to be no end to the cry for vengeance from one side, the hounding of elderly men in this country who, for all I know, have been minding their own business and doing no harm to anybody for half their lives?

"It is as though elderly Frenchmen had still been hounded in 1850 for atrocities, such as those depicted by Goya, which they may or may not have committed in Spain during the Peninsular War."

Moscow readies coup against Ceausescu

by Konstantin George

The Kremlin, egged on by the Soviet military high command, is moving to ensure that the days of Romania's rulers, Nicolae Ceausescu and his clan, are numbered. Whether caught asleep or mesmerized by the headlines of Geneva and the INF treaty, Western correspondents in Moscow missed, in the last two weeks of November, one of the biggest stories of the decade. Moscow is preparing a coup against Ceausescu, having decided that the Nov. 15 Brasov (formerly Kronstadt) riots, which exposed the instability of the Ceausescu regime, were the last straw.

The Brasov riots were no small affair. Hundreds were killed or wounded, butchered by Romanian interior ministry "special units," brought in along with Army units from the capital of Bucharest. Brasov was the biggest bloodletting inside the East bloc since the 1956 Hungarian uprising, and set off alarm bells in the Soviet defense ministry. Already in August when demonstrations against the Hitler-Stalin Pact erupted in the three Soviet Baltic "Republics" of Estonia, Latvia, and Lithuania, the military daily *Krasnaya Zvezda* was (unlike the civilian press) comparing the events to past "counterrevolutionary" troubles, listing Hungary 1956, Czechoslovakia 1968, and Poland 1980. In short, the Soviet military command was expecting big problems in the bloc.

This tip-off to Soviet General Staff pre-planning explains the speed with which the Soviet military responded to the Brasov riots. Only 48 hours later, Nov. 17, the Soviet defense ministry announced that a meeting of Warsaw Pact defense ministers would be held in Bucharest, Romania sometime "in the final 10 days of November." Warsaw Pact defense ministers' meetings in Bucharest are as rare as "hen's teeth."

More signals emerged in short order. Moscow scheduled the meeting for Nov. 24-26, and a day of bilateral talks between Soviet Defense Minister Dmitri Yazov and his Romanian counterpart, Col. Gen. Vasile Milea, on Nov. 23. The timing was exquisite. It coincided with Ceausescu's absence from Romania on a state visit to Egypt.

Before departing for Bucharest, Yazov huddled with the following figures in the Soviet military hierarchy: First Deputy Defense Minister Pyotr Lushev, Air Force Commander in Chief Yefimov, and two new deputy defense ministers appointed in June, Generals of the Army M.I. Sorokin and D.S. Sukhorukov. Sorokin and Sukhorukov have both played

key roles in the development of Soviet spetsnaz (special forces), air assault, and airborne forces in the past two decades. In short, the two figures in the defense ministry hierarchy who would be consulted on concrete contingency plans for an intervention. The same group met with Yazov when he returned from Bucharest.

The Bucharest meeting lasted three days. The time length betrayed the agenda: East bloc internal security, and "getting down to business" to make sure that the Romanian situation not get out of control, and thus not spill over into a very volatile and unstable East bloc situation as a whole. Warsaw Pact defense ministers' meetings never last more than a day, unless there is such an agenda. The three-day meeting signified the start of a "Romanian Crisis," as there had been a "Czech Crisis" in 1968, and a "Polish Crisis" in 1980.

The ludicrous communiqué published at the end of meeting declared that all the defense ministers "unanimously supported" the INF treaty, and "reaffirmed" the Warsaw Pact "defensive" doctrine put out at the May 1987 Warsaw Pact summit in East Berlin. As one British source said, with a rather raucous laugh, "So, they want us to believe that they needed three days to discuss the INF treaty and what they already stated in May? Who are they kidding?"

The defense ministers' meeting did not end the signals of the coup in the making. The day Yazov left Bucharest, Nov. 26, after a meeting with the newly returned Ceausescu, the head of the Soviet Armed Forces' Main Political Directorate, General of the Army A.D. Lizichev, arrived in Bucharest for talks with his Romanian counterpart, a member of the Ceausescu family.

Polish hotspot

The prospects for disturbances in other East bloc countries, particularly in Poland, during the coming winter are very high. In Romania, the Brasov riots, which protested the lack of food and fuel, occurred even before winter set in. For Poland, the question now is, after voters rejected the government's "reform" package, including massive price increases, in the Nov. 29 referendum, will the government go ahead, and to what extent, with the planned price increases, scheduled to begin in December? Already in the first two days of December, demonstrations to protest the price increase program broke out in the Polish cities of Gdansk, Krakow, Lublin, and the steel center of Nowa Huta.

The austerity in Eastern Europe, slashing consumption to "accumulate" investment for industrial exports to Russia to fuel the Soviet *perestroika* industrial modernization and war economy growth program, is already severe. Moscow knows it runs the risk of major disturbances by continuing such a course, but, will, if necessary, repeat the military interventions of the past, to maintain the *perestroika*. The coming coup against Ceausescu not only has the goal of "solving" the "Romanian Crisis," but of serving as a lesson to other budding crises in the Captive Nations of the Russian Empire.

Kim Dae Jung: the landlords' candidate

by David Hammer

On Nov. 29, Kim Dae Jung, South Korea's messianic presidential candidate, led a rally of 1-2 million in the central square of the capital city of Seoul. Kim, who has built his career around fighting the military establishment that created the "Korean economic miracle," has now declared that if he does not win the Dec. 16 presidential elections, it will be due only to fraud. If he loses, "there will be an uprising."

On Nov. 9, Kim led a rally of thousands of students in Seoul, blasting the government of President Chun Doo Hwan. His rhetoric was enough to whip the students into a violent frenzy. They began hurling rocks and firebombs at police, as the candidate quietly slipped away.

Kim declared his candidacy for president, despite his promise that he and his opposition rival Kim Young Sam, the "two Kims," would choose one candidate between them to run on a unified opposition ticket. However, Kim refused to step aside, saying that his "base"—primarily of radical-terrorist students—would never permit it.

Kim's stated program is to dismantle the military establishment of South Korea and replace it with "democracy," dismantle the forces behind the Korean economic miracle, and then move as rapidly as possible for accommodation and reunification with the "Clockwork Orange" state of Kim Il Song to the North. "For a decade I have urged, 'Democracy first, then unification.' A democratic government must make unification its primary goal. Otherwise . . . it would betray the people's deepest desire. Democracy and unification are two sides of the same coin."

Within South Korea, Kim's oldest friends and advisers include Ahn Byung Mu and Rev. Park Hyung Kyu, two of the "religious" leaders who created the Korean version of Jesuit "theology of liberation," the so-called *minjung* theology. This is the ideological latticework of South Korea's terrorists. *Minjung* or *people's* theology asserts the necessity of "the people" rising up to release their *han*, (rage) overthrow the government, and usher in "democracy" and reunification with North Korea. Said Kim, "I see the cultural strength of South Korea as rooted in the bitterness of the

Korean people . . . *han*. . . . The Korean people continue to rise up vigorously."

Because Kim's popularity rests on the most disruptive elements of Korean society, the military has stated that his victory in the Dec. 16 elections is unacceptable.

Yet, despite the fact that South Korea is the linchpin of the U.S. strategic position in the Pacific, "people's revolutionist" Kim has been sponsored almost exclusively by the U.S. State Department and its various "Project Democracy" outlets.

On Feb. 8, 1985, Kim Dae Jung was escorted back to South Korea—at the demand of the State Department—by a 38-person American delegation. The United States had officially warned the Chun government that if any harm came to Kim upon his return, the incident would cause deep concern in Washington. Leading figures in Kim's escort included:

- Robert White, former ambassador to El Salvador and now head of the International Center for Development Policy. The center sponsored the October trip of New York Gov. Mario Cuomo to Moscow. It includes on its Commission on International Relations Richard Falk of Princeton University, who played a leading role in overthrowing both the Shah of Iran and President Marcos of the Philippines, and Green Party-linked crusader Adm. Gene R. LaRoque.

- Patricia Derian, assistant secretary of state for human rights in the Carter administration and also on the Commission.

- Rep. Thomas Foglietta (D-Pa.).

- Rep. Edward Feighan, also at White's center.

- Rev. Pharis Harvey and Bruce Cumings of the North American Coalition for Human Rights in Korea.

The case officer on the Kim operation at the State Department was then-Assistant Secretary of State for Human Rights Elliott Abrams, a key Contragate figure, who met with Kim repeatedly before his return to Seoul.

State Department support for the radical opposition is still handled by State's Human Rights office, currently headed by George Lister. Lister recently recounted his relationship to the "two Kims." "I know both of the men. I'm a good friend of both of them. I got Kim Dae Jung into the State Department to speak at the 'Open Forum'—which is a program which we have in the State Department when we have outsiders come in and speak off-the-record. Kim Dae Jung gave a very good speech. He showed it to me before he made it, and I suggested quite a few changes, all of which he incorporated, and at the end of it he received a standing ovation. He then went back to Korea and I'm in good, close touch with him."

Strange luck

By the time he reached the United States seeking political exile in 1983, Kim Dae Jung had already had a colorful career. At the end of World War II, the 20-year-old Kim

joined the communist "Preparatory Committee for the Building of the Nation," led by a Soviet agent, Yu Woon Hyung. According to Kim's own account, "I mingled with communists and for a while I was quite interested in communism."

One of Kim's associates, Wada Haruki, recently recounted how, not long after the Korean War broke out on June 25, 1950, "Kim Dae Jung was arrested by the political intelligence arm of the Communist army. While he was in prison, he was with other prisoners that were about to be executed, but miraculously, his life was spared. For some reason, not known then, the execution was temporarily suspended. Kim Dae Jung then escaped from prison."

In 1956, Kim converted to Catholicism, and was adopted as a protégé of the old landlord families (many of whom were "Christian") who formed the opposition to then-President Syngman Rhee. In 1971, he was their party's candidate for President, losing to Park Chung Hee. In the late 1970s, the State Department under Jimmy Carter forced a "liberalization" upon President Park, which set the stage for the unrest and street riots that led to Park's assassination in late 1979.

As part of a security sweep after the assassination, Kim was put under house arrest. Kim recounts his State Department contacts at the time, "On Dec. 2, the U.S. ambassador sent an aide to me to say that soon my house arrest would be lifted and for me to make no move before seeing him right away. My house arrest ended Dec. 8. I contacted the ambassador on the following day and met with him Dec. 10. We met not, as was usual, in his private residence, but in the U.S. embassy, in his office, making it an official meeting. We talked for about an hour and a half. All high-level embassy staff were present. Following this meeting, the U.S. embassy issued a press statement saying that the meeting was very fruitful and referring to me in unusually complimentary terms. Subsequently, the American ambassador made contact with me a number of times. At the very least, he did what he could quietly to further democratization . . . while paying some lip service to certain generals. . . ."

"With Park Chung Hee's death, South Korea stood at a crossroads. Actually, if he had not been assassinated, the Koreans would probably have carried through democratic liberation at the time by themselves."

The liberation Kim referred to was the armed uprising in the southwestern city of Kwangju, an event triggered by Kim's arrest on May 17, 1980. The city was out of control for over a week. Finally, the Army suppressed the revolt in bloody fighting, which left at least 500 dead. Kim made clear that the uprising was hardly "spontaneous":

"Actually, if Park's assassination had not occurred, an uprising was to take place in Kwangju on Oct. 29; had that happened, protest action would have spread rapidly northward to Seoul.

For his role in Kwangju, Kim was sentenced to death. The State Department sent an observer to his trial and de-

manded the sentence be commuted to a prison term. Under further pressure, the Chun government allowed Kim to leave prison in 1983 and go to the United States for "health" reasons. As arranged by Asia Foundation trustee Prof. Edwin Reischauer, Kim was welcomed to Harvard's Center for International Affairs, where Benigno Aquino also spent his exile. In 1974, Reischauer had called for the withdrawal of U.S. troops from South Korea, as a "message" to President Park. From his Harvard base, Kim established an opposition network, raised a small fortune, and in 1985 was returned to Seoul for the campaign of agitation leading to the June riots.

The return of the 'yangban'

For some 500 years, throughout the Yi Dynasty (1392-1910), Korea was ruled by an extremely powerful Confucian aristocratic landlord bureaucracy, the *yangban*. This rule was based on control of all civil service posts (only aristocrats could take the exams) and ownership of vast landed estates. Many Koreans were literally slaves on the *yangban* estates, and the truncated military was entirely ruled by the *yangban* civil service. This form of rule continued almost unbroken through the Japanese occupation, right down to the end of the Korean War in 1953.

In the tradition of Gen. Douglas MacArthur's work in Japan, the U.S. military laid the basis for a modern Korea, through the vehicle of land reform. As one Korean specialist noted: "The United States was not going to fight the Korean

Kim Dae Jung on 'People's Revolution'

Kim Dae Jung to Japanese journalist Rysuke Yasue in 1983: "I would call our time 'the age of the people's revolution. . . . Nationalism provides the basic sanction for war—and war remains the unconquered evil of human history. . . . Peace is an absolutely necessary condition for the liberation of people. . . . The world now is one, a global village. . . . The people in various places have acquired political power. Early in the 20th century, the Labour Party gained power in Britain. The Communist Party rose to power in Russia. These two events dramatically symbolized the advent of the age of the people. I do not agree that the dictatorship of the proletariat in Russia is a democracy. . . . But against the minority's control of the majority found in capitalist systems, it presented an antithesis and an important warning to the rest of the world."

War just so that the *yangban* could get their land back. The United States demanded that an egalitarian reform be put through. So the *yangban* had their slats cut out from under them, and they've been searching around for more slats ever since."

The *yangban* retained control over essential elements of culture in Korea, including the Christian churches, the universities, publishing (such as the major Korean newspaper, *Dong A Ilbo*), and the arts. In the 1950s, these families created the opposition party to the Syngman Rhee regime. In 1960, the students came pouring out of the Methodist Yonsei University, the Rhee regime was overthrown, and the *yangban* took power. After months of growing chaos, the military, led by Gen. Park Chung Hee, took power in 1961, and in 1962, initiated the Korean "economic miracle."

As one Korea hand explains: "The opposition party [the Reunification Democratic Party] in South Korea that Kim Dae Jung and Kim Young Sam are fighting over has a 40-year history which began mainly with *yangban* landlord leadership. . . . What is so interesting often is that the democratic opposition, people like Kim Young Sam and Kim Dae Jung, and then the students who represent them, often, at least up until recently, were resented by peasants and workers because they thought that their demands for democracy were just one more way of getting dominated by the *yangban*. It was the modern form of *yangban* dominance."

The opposition hated the South Korean military, an aversion shared by the U.S. State Department (which hates the U.S. military). "Generally speaking, the embassy has tended to prefer these people [*yangban*], and our military guys, both in the army and military intelligence, tend to like the generals better, and that has been a conflict in American policy going back to 1961."

Kim Dae Jung's program for South Korea is the radical Jacobin socialism that such oligarchical configurations as the *yangban* have used for centuries as a battering ram against adversary nation-building tendencies. In contrast to his rival, Kim Young Sam, who retains ties to the military and represents the middle class created by the Korean economic miracle, Kim Dae Jung promises to reverse the achievements of the Korean economy, achievements which have always been the foundation of South Korea's national security.

Kim Dae Jung argues for a "mass participatory economy." This means chiefly: U.S. and Japanese capital out of Korea; a turn from the heavy industry which has been the backbone of the Korean economic miracle to "light industry" and "small and medium-size industries"; "give greater strength and depth to agriculture and fishing"; and an emphasis on "free enterprise" as opposed to the state-directed economy which has been central to Korea's success. As his interlocutor Yasue summed it up, "In general terms it proposes a shift from a high-growth economy . . . to a public welfare economy."

Sabotage by North mooted in Korean

by Linda de Hoyos

Evidence is now accumulating that the Nov. 29 crash of Korean Airlines Flight 858 was the work of terrorists operating on behalf of North Korea. If this is the case, the crash is a cruel reminder that the Soviet Union and its close allies, such as the North Korean dictatorship of Kim Il-Sung, operate from a different strategy and standard of morality than the appeasers in Washington would like to believe.

The possibility that the plane's crashing was due to sabotage was raised by the fact that there was no radio warning from the crew of any problem with the plane or impending disaster. As in the case of the bombing-crash of the India Airlines flight from Canada in June of 1986, the plane appeared to suddenly fall from the sky.

KAL 858 crashed while on its way from Baghdad, Iraq, to Seoul, via Abu Dhabi and Bangkok. Soon after the news of the bombing, a man and woman who had been on KAL 858 were arrested in Bahrain. The two had been the only passengers to disembark KAL 858 in Abu Dhabi, whence they then flew to Bahrain. While awaiting questioning by Bahrain immigration authorities, the two bit down on poison cigarettes. The man died within four hours; the woman has survived.

The two were traveling as father and daughter, with passports in the names of Shinichi and Mayumi Hachiya. Investigators confirmed that Shinichi Hachiya is a Tokyo resident. Located in Tokyo, the real Hachiya stated that two to three years ago, a business associate named Akira Miyamoto offered to make travel arrangements for him, and took his identity papers for a month. This Akira Miyamoto was linked to a North Korea spy case in March 1985, when police found code books, invisible ink, and other signs of espionage in his apartment. Miyamoto is at large on charges of espionage.

It is not confirmed whether the couple arrested in Bahrain were Japanese or Korean. The woman has refused to answer questions in either language. However, "the pattern of their behavior is different from that of Japanese radicals," who have never been known to commit suicide upon capture, a Tokyo police official told UPI Dec. 2. Japanese authorities, reports UPI from Tokyo, believe the couple could belong to Chosoren, a Japan-based pro-North Korea group. The couple were seated forward in the eighth row of the plane, from which they could lodge a bomb that would hit the crew cabin.

Korea's agents Airlines crash

Japanese officials have been on alert for terrorist action, possibly involving the Korean peninsula, since Nov. 21, when Japanese Red Army leader Osamu Maruoka, was arrested. When apprehended, Maruoka was carrying a ticket to fly from Osaka to Seoul on Dec. 7. Japanese press reported Nov. 27 that police had uncovered a Japanese Red Army plot to kidnap South Korean presidential candidates or bomb corporate offices in Seoul. Maruoka is the number-two man in the Army, under leader Fusako Shigenobu.

The Japanese Red Army has had links to Middle East terrorist organizations, and to North Korea. Several years ago, some members of the Army sought refuge in North Korea. Prior to his arrest, Maruoka had made different trips to eight countries, using a false passport. Between Aug. 3 and Nov. 21, Maruoka traveled to Hong Kong, the Philippines, Malaysia, Singapore, the People's Republic of China, Greece, Yugoslavia, and Austria. Documents confiscated on Maruoka, according to the *Japan Times*, indicated that Maruoka may have been preparing Japanese Red Army cells in Europe and Southeast Asia. The couple captured in Bahrain had also been in Austria and Yugoslavia. Police in Japan say the cells in Southeast Asia and Japan were organized under the collective name of the Anti-War Democratic Front.

According to the French daily *Le Figaro*, Maruoka also "reportedly had contact with North Korean agents."

As a result of the investigation of Maruoka, the *Japan Times* reported, "Japanese embassies, missions, and Japan Air Lines offices abroad have been warned of possible terrorist activities by the Japanese Red Army in an attempt to free Maruoka. . . . Police also reinforced security around VIPs, including members of the imperial family, as a precaution against possible terrorist actions." In South Korea, all 120,000 of the nation's police are now on full alert against terrorist actions designed to disrupt the Dec. 16 presidential elections.

Lesson yet to be learned

North Korean capability and disposition for such brutal terrorist actions as the bombing of a passenger jet, cannot be denied. Kim Chong-II, son of Kim Il-Sung and heir apparent, commands a special forces operation (spetznaz) of 100,000 men. However, in the case of the Oct. 9, 1983, terror-bomb-

ing of the South Korean cabinet in Rangoon, Burma, U.S. intelligence sources also indicate that the perpetrators included not only North Koreans, but also terrorists from East Germany. Given the tightening of military ties between Pyongyang and Moscow over the last three years, North Korean actions of such major consequence can be assumed to be carried out with a green light, if not outright coordination, with Moscow, or with Moscow's subsidiary terrorist apparatus.

Such fundamental facts of North Korea's pattern of behavior have been overlooked in the "summit" frenzy now gripping most of Washington. A regional settlement on the Korean peninsula, to eventually lead to the withdrawal of U.S. troops from the peninsula and accommodation with North Korea, is a high point on the New Yalta agenda.

Only a week before the KAL 858 crash, Selig Harrison, who operates from the Carnegie Endowment for International Peace as an initiator in regional deals with Moscow, wrote Nov. 22 in the *New York Times* that Pyongyang is ready to negotiate. Reporting on his own trip to North Korea Sept. 23-Oct. 2, Harrison claimed that North Korea has lost faith in its ability to reunify Korea under Communist rule and is prepared to negotiate with Seoul. "Economic pressures appear to be compelling North Korea to pursue two priorities," Harrison wrote, "a reduction of military spending through accommodation with Seoul and Washington, and a rapid influx of advanced industrial technology, facilitated by a China-style economic opening to the West. 'We want balanced relations with the major powers. . . . The past is past,'" Harrison quoted North Korean leaders as saying.

On the issue of U.S. troops in South Korea, Pyongyang converges on the compromise line put forward in the New York Council of Foreign Relations' recent study on Korea: U.S. air and naval forces could be permitted to stay in South Korea longer than U.S. ground troops.

The World Council of Churches, a Soviet front operation with heavy penetration into the West, reiterated such hopes after a five-man WCC delegation returned from a Nov. 9-16 visit to Pyongyang. A leader of the World Council in West Germany predicted that "U.S. troop withdrawals from South Korea will happen" in the coming months, because "South-North reconciliation is receiving the blessing of the United States. . . . At the U.S. diplomatic level, there is a U.S.-North Korean normalization now going on." Soon, this WCC official said, the United States and Soviet Union will be sponsoring an "international gathering on the Koreas."

A lot will depend on the outcome of the Dec. 16 elections, this official said. The WCC scenario is in fact possible only if the back is broken of those institutions in South Korea who have no illusions of the either Moscow or Pyongyang's strategic goals. The presidential candidate designated for that role is State Department-World Council of Churches Jacobin, Kim Dae Jung.

Racist Pamyat Society is running Russia's neo-Stalinist upsurge

by Luba George

In mid-September, Nahum Nemchenko, a 73-year-old fighter for Jewish rights, was found murdered in his Leningrad apartment. This murder led the *Jerusalem Post* Nov. 1 to implicate the Pamyat (Memory) Society, a Russian chauvinist, anti-Semitic mass organization, on the rise in recent years. Nemchenko's struggle against anti-Semitism in the U.S.S.R. led him to gather material on Pamyat and its sister organization Otechestvo (Fatherland), active in Sverdlovsk.

Two years ago in Sverdlovsk, a Jewish family was murdered, and Nemchenko's friends felt that Nemchenko, who was investigating the case, had learned "too much" about the workings of the Pamyat/Otechestvo organizations. Nemchenko had planned to travel to Moscow as the Leningrad representative to a meeting to protest growing anti-Semitism in the U.S.S.R. The authorities refused to allow the meeting. Shortly after this, Nemchenko was found murdered in his apartment.

Indeed, the "engine" behind the rise of anti-Semitism and the neo-Stalinist upsurge under way in the Soviet Union is the Pamyat Society, officially founded in 1980. The Society, with ideology resembling the Black Hundreds pogromists of Czarist times, is a powerful *legal* mass organization, actively backed by strong forces in the Soviet military-industrial complex, and supported by a majority of the ruling Russian *nomenklatura*.

Among its "godfathers" are such figures as then-KGB chief Yuri Andropov's close collaborator, Gen. Aleksei Yepishev, who, from April 1962 until July 1985, shortly before his death, was the head of the Soviet Armed Forces' Main Political Administration, and Marshal Vasili Chuikov, the World War II hero of Stalingrad, who had for many years, until his death in 1982, headed the Russian chauvinist Rossiya Society, many of whose members were to become the cadre of Pamyat. The Pamyat Society is funded by a variety of conduits from the military-industrial complex and the GRU (military intelligence), as, for example, through the civil aviation ministry.

Pamyat is hard-core "blood and soil" Russian Nazism. Just as the German Nazis had resurrected pagan Nordic gods such as Thor and Odin, Pamyat stresses pagan Russian gods, the pre-Christian "roots" of Rus and the Slavs. Pamyat liter-

ature has even referred to the Kievan Prince Vladimir's A.D. 988 conversion to Christianity as a "Zionist plot to undermine the Slav race." As one Russian exile source told *EIR*, "Pamyat believes in Dostoevsky and Satan." For Pamyat, Dostoevsky's writings, especially his *Diary of a Writer*, where he elaborates the "special mission" of the "Russian Race" to "rule over the world," are the bible defining their own perverse so-called "Christian" side.

This Russian brand of Nazism has gained enormously in strength this year, both benefitting from and steering the shift into a neo-Stalinist policy matrix that has transpired in recent months. Pamyat, contrary to the myth spread in some of the Western media, is no "underground" organization. It is legal, approved, and encouraged. No "underground" organization could exist in the Soviet Union, and hold regular mass meetings of from 500 to several thousand people, in halls granted by the Soviet state, as Pamyat does.

Pamyat was key to the Oct. 21 sacking of Moscow City Party boss Boris Yeltsin, a protégé of Gorbachov who had been one of the main leadership targets of Pamyat. The Soviet collective leadership opted to throw Yeltsin to the wolves, as part of the move to bring Pamyat's Dostoevskian ideology to the fore. In May, Yeltsin received, or was forced to receive, a Pamyat delegation in his office. They had come to protest that Yeltsin was not doing enough to preserve the Russian "historical and cultural heritage." The specific issue which served as the pretext for the meeting was Yeltsin's authorization of the urban renewal demolition of the "Poklonnaya Hill" old section of Moscow. "Save Poklonnaya Hill" had become the battle cry for the Moscow section of Pamyat. Soon thereafter, Yeltsin gave in, and pledged that Poklonnaya Hill would not be demolished. Without very powerful Politburo support, no "grassroots" non-party organization could ever have scored such a resounding victory.

This incident is important, because no high-level party functionary is obliged to "receive" any "protest" delegation, unless the collective leadership demands that he do so.

As Gorbachov admitted in recent speeches, the "fight" against Yeltsin had "begun during the preparations for the January [1987] Central Committee Plenum." The fact that Yeltsin was *not* dumped at either the January or the June CC

Plenums, was due to the fact that Gorbachov protected his follower. That was no longer the case at the Oct. 21 CC Plenum, when Gorbachov opted to sacrifice Yeltsin, and acceded to the demands of the neo-Stalinists.

The Russian Nazis

Who are Pamyat's leaders? We can start with the Society's chief, D.D. Vasiliev, who describes himself as a "non-party Bolshevik." Earlier this year, Vasiliev delivered a speech in Siberia declaring: "Around us there are enemies of the people (*narod*). We have to tear them to pieces. And pound into dust everyone who is in our way. . . . Masons and Zionism in our country are directing their attack at the Russian *narod* and our motherland (*rodina*)." Pamyat's leading figures include very important personalities in the Soviet literary and arts world, including the writer Valentin Rasputin, a hard-core Russian chauvinist, on the board of Raisa Gorbachova's Soviet Cultural Foundation; the notorious Dostoevskian mystic and icon-style painter, Ilya Glazunov; and Vasili Belov and Yuri Bondarev, leading figures of the Russian Writers' Union. It was this Russian Republic Writers' Union, at their March 1987 Congress, together with the number-two man on the Politburo, Yegor Ligachov, who kicked off the campaign against the "excesses" of Gorbachov's *glasnost* (openness) policy.

Much has been written in recent months about recent speeches delivered by Yegor Ligachov, the Party's ideology boss and the number-two man on the Politburo. Ligachov's speeches, denouncing "excesses" in *glasnost*, and blasting the trend of publishing books by previously banned authors, presaged the new neo-Stalinist upsurge, and are now also being reflected by Gorbachov himself.

Throughout the first half of 1987, it was the Pamyat Society which had spearheaded a mass campaign demanding that books by previously banned authors remain unprinted, and demanding the shutting down of plays and movies that represented "degenerate" Western influences. The Russian Writers' Union, influenced by Pamyat, adopted the same line at its March 1987 Congress. These demands were also part of the list of grievances presented to Yeltsin by the Pamyat delegation.

The first to concede the point of Pamyat's meteoric rise, were Pamyat's critics in the Soviet Union. The July 11 *Leningradskaya Pravda* carried an article by one V. Koshavanets, which disclosed the existence of a Russian National Socialist Workers Party. Koshavanets wrote that, while there are no organized "brown shirt movements" in the U.S.S.R., young people are attracted to such phenomena, because they are "seeking alternatives," which are Russian nationalist. The author cited an interview to *Sovetskaya Kultura* by Komsomol (Party youth) head Mironenko, who declared that the "alternative" the youth are seeking is "the idea of a strong leader," as "a reaction to existing bureaucracy."

The real bombshell came in July, with the launching of a new journal, *Politichesky Sobesednik*, in Minsk, the capital

of Byelorussia, under the auspices of the Byelorussian Central Committee, to regularly feature articles by Pamyat authors. This move provides a clue to the direction of change evident in the Kremlin power struggle. The Byelorussian Central Committee consists of protégés of Nikolai Slyunkov, the first secretary of the Byelorussian Party until January 1987, when he was promoted to Moscow and installed as a Central Committee secretary. At the June Plenum, Slyunkov was again promoted to become a full member of the Soviet Politburo. Directly after that, his protégés in Minsk sanctioned the founding of *Politichesky Sobesednik*.

The new journal has printed major articles by top Pamyat figures such as Vladimir Begun, whose articles bear the signature of the Military Command, for example, his denunciation of those who deny that a nuclear war can be *won* by the Soviet Union, as being guilty of "bourgeois pacifism." Begun has used the new journal to attack the Jewish painter Marc Chagall as a "Zionist," and to single out Jewish dramatists Shatrov and Volodarsky, as "thieves who have stolen the lamp of *glasnost* in order to deprive society of the light of the truth."

Begun's writings compare with Hitler's *Mein Kampf*, and are filled with invective against "a world conspiracy between the Elders of Zion and the freemasons." His first book, *Creeping Counterrevolution*, was published in Minsk in 1974, and contained praise for the anti-Jewish pogroms conducted in Czarist Russia.

Two Soviet Jews who had met Begun in October 1978 in Minsk, reported the following statements he fired at them: "Zionism and fascism are the same. If the Zionists had the same strength as Hitler, they would have committed even more crimes than German fascism. Now they have much more strength and the coming struggle will be very hard. Zionism today is the greatest threat to peace and mankind." His second book, *Invasion Without Arms*, was published in 1977, followed by a second edition in 1979, which was a diatribe against Jewish "infiltration" and "subversion" of Russia. Begun declared that Jews can never assimilate: "Jews will always remain Jews."

Other Pamyat types, such as the crazed writer Valeri Yemelyanov, go even further than Begun, if that can be imagined. He actually spent time in a psychiatric institute earlier this year after having murdered his wife; the case itself revealed Pamyat's powerful backing among the KGB, because Yemelyanov was released, a free man, after only a few months. Yemelyanov's act of murder was like something out of a Dostoevsky novel. He hacked his wife to pieces and stuffed the parts of the corpse into a garbage bag. Begun once commented, in a style reminiscent of "tactical debates" within the Nazi hierarchy, that "Yemelyanov goes too far. . . . He proposes to check whether the wives of senior officials are Jewish. I consider this *tactically* wrong."

It is only a matter of time before what is occurring now in Byelorussia, with Pamyat in full bloom, becomes the rule for the U.S.S.R. as a whole.

Elections mean stability for Turkey

The Nov. 29 vote gave Turkey a broadly supported government under Premier Özal—as the country faces profound challenges.

With the victory of the Anavatan (Motherland) party of Premier Turgut Özal in the Nov. 29 elections, Turkey is now governed by the strongest political force in three decades. Through the 1960s and 1970s, until the 1980 military coup, Turkey was ruled by unstable coalitions which led the country into chaos. Left- and right-wing armed guerrillas killed hundreds in Ankara and Istanbul. No one party had ever gotten the majority of 292 seats in the Parliament, as the Anavatan did in this last election.

The September national referendum had been a warning to Özal, prime minister since 1984. After the 1980 coup, scores of politicians were banned from politics by a constitutional amendment, deemed undemocratic at a time when Ankara is negotiating entry into the European Community. The government decided to hold a referendum on the amendment, itself favoring a negative answer to the political comeback. However, a slim "yes" majority allowed politicians like Bulent Ecevit or Suleyman Demirel, Socialist and Conservative prime ministers of the late 1970s, to run again. The narrow margin in their favor was understood to mean that while Turks wanted national elections, they backed Özal by rejecting opposition appeals for a "massive yes."

Özal took the hint and decided to call early parliamentary elections, instead of waiting till 1988.

Only a strong government with broad support can deal with the challenges Turkey faces. Topping the agenda are the negotiations on Turkey's foreign debt and its strategic

military situation. Ankara has been holding talks with the United States on the issue of the Foreign Military Sales (FMS), and its military debts to Washington. U.S. Assistant Secretary of State for Economic Affairs, W. Alan Wallis, visited Turkey on Nov. 23. Washington has refused to lower interest rates on previous credit, and demands a high price before considering rescheduling. This forced Ankara to hike prices for petroleum, paper, communications, and air travel right after the elections.

Also key is Turkey's strategic position toward the Soviet Union. In Brussels on Dec. 1, Defense Minister Zaki Yavuztürk reiterated Turkey's support for the INF negotiations, as all other NATO countries have done. Yet Turkish military layers are less than happy about a pact that leaves them almost defenseless before superior Soviet conventional forces. The issue was brutally raised on Oct. 26 during the visit to Turkey of former NATO Supreme Commander Gen. Bernard Rogers, a foe of the treaty. Talking to the media on the consequences of the treaty for Turkey, he warned that other NATO members will lack either the will or the capacity to come to Turkey's aid in case of Soviet aggression.

Zaki Yavuztürk in the fall had warned that an INF treaty which would not lead to a similar reduction in conventional forces was "dangerous." Picking up on Rogers's declaration, Turkish officials asked for an official clarification from NATO headquarters. Rogers's successor General Galvin and Lord Carrington, NATO sec-

retary general, denied that this was NATO's policy, insisting that the "alliance is committed to defend all of its members from Norway to Turkey." The statement didn't address the issue raised, which was not of general principle, but whether NATO would still be *capable* of meeting such commitments. Both Carrington and Galvin then went to Istanbul to address a seminar of the Atlantic Treaty Assembly to reiterate their support for Turkey, but while declarations came out of Brussels, few, if any, came from Washington.

Turkish officials are seeking to create some complementary, if not alternative, political and military ties in the region. Besides a major effort to join the EC, Turkey has begun forging ties with Pakistan, Egypt and the Gulf Cooperation Council, to break the aversive environment created by the Soviet Union, Bulgaria, and Syria. Turkey held joint military naval maneuvers with Pakistan during the summer, and has also made efforts to better relations with Greece. A possible summit between Turgut Özal and Greek Prime Minister Andreas Papandreu is mooted. Turkey will attend the January 1988 conference of the Countries of the Balkans, in an effort to solve its thorny relationship with Bulgaria.

The Soviets are taking an obvious interest. For the first time in decades, the Soviet foreign minister is expected in Ankara in January to develop "closer ties." Moscow's ambassador, Albert Cernisev, surprised many on Oct. 27 as he announced that the Soviet Union has neither "political nor military" interest in Cyprus, concluding that the "people of Cyprus" should "themselves solve the crisis." This sharply contrasted with Moscow's calls for an international conference over Cyprus, a proposal the State Department accepts.

New focus on Indo-Japanese ties

There has been a marked broadening of contacts between the two nations over the past year.

A day after Japan took the prize for excellence in its exhibition at India's International Trade Fair, industry leaders from the two countries sat down to talk business in Tokyo. Days earlier, "Japan Month" had closed in Delhi—a *tour de force* kicked off in mid-October with a special performance by Japan's Noh theater, and which included a concert by Japanese conductor-composer Mattori with the Delhi Symphony Orchestra.

On Nov. 11, at a seminar in Tokyo, organized by the Indian Investment Center and attended by 100 Japanese business executives, the Japanese announced that a high-level delegation will be dispatched to India and Pakistan in mid-January.

On Nov. 29 in Delhi, Japanese Deputy Foreign Minister Hiroshi Kitamura reported that, following talks with the Indian commerce secretary and other officials, Japanese businessmen now had an improved political perception of India. A Japanese panel of experts will present a comprehensive report on India's political and economic situation within six months to guide future initiatives toward India.

These developments are symptomatic of a rapidly broadening relationship. On the Indian side, there is a definite surge of interest in Japan as part of a new-found interest in the rest of Asia generally.

A four-day "Asian Relations Commemorative Conference" here in early October sought to revive the focus on Asia. A proposal that Japan

channel its financial surpluses, presently invested outside the region, into Asia was put on the table. The proposal is aimed both at fueling the economic growth of Asia's developing economies and also helping boost world economic growth. The same meeting discussed the need for an Asian framework for technology transfer, whereby the continent's technologically superior nations could assist those lagging behind.

As this magazine and its founder Lyndon LaRouche have repeatedly emphasized, Asia is the key to world economic growth in the coming period. This region contains nearly one-quarter of the Earth's population and immense human and material resources waiting to be developed. The India-Japan connection is critical to this prospect.

But India and Japan are only now discovering each other, after a 30-year hiatus. As Dr. Fuji Kamiya, a close adviser to the Nakasone cabinet, explained to a Bombay symposium recently, Indo-Japanese ties were good in the early part of the Nehru premiership. But the Japanese had long faced the dilemma of "to open or not to open." For some time, Japan followed a policy of dissociation from Asia, and even more so from India.

This is changing and Japan must now focus more on its Asian identity. For one thing, Japan has no "historical complications" with India, and no outstanding political conflicts. In the 1990s and 21st century, Japan will play a more constructive role in Asia, for

its interests cannot be divided from those of the other Asian nations.

Japan considers exchange of views with India important because of India's role as an "opinion leader" in the developing world. Japan has also expressed interest in extending economic ties with the South Asia Association for Regional Cooperation (SAARC). The new Takeshita government's Nov. 22 announcement that it was committed to seeing through the Nakasone government's call for a "new Marshall Plan" for the developing sector was given prominent press coverage here.

The bottom line of India's concern, however, is its bilateral economic relationship—the subject of the meeting of the Joint Business Council in Tokyo. Though Japan has become the single largest aid donor and India's third biggest trade partner, as a fraction of Japan's total trade and investment, Indian business is still minuscule. It grew in absolute terms following Nakasone's 1984 visit to India, but this year, both collaboration and investment dropped below year-earlier levels.

Moreover, with a total trade of about \$3 billion, the Indian deficit is running at about \$900 million. Diversifying out of iron ore, shrimp, and diamonds—now 70% of India's exports to Japan—is the solution, but one which has proved difficult. Though Jetro, the Japanese trade agency, has held exhibitions of Indian engineering and other products, lack of market research and quality control on the Indian side has stalled follow-through.

The Joint Business Council considered this problem, as well as technology transfer and prospects for collaboration in research on non-conventional energy sources. According to reports, Japan is also interested in joint projects in the petroleum sector.

Now comes the AIDS panic

Dramatic revelations on the spread of the contagion here confirm the link to economic deterioration.

Addressing Mexico's First National Congress on AIDS, in Cocoyoc, Morelos, Nov. 30-Dec. 2, Health Minister Guillermo Soberón Acevedo warned that, short of a miracle, "Mexico will be helpless to fight AIDS, which threatens to become an epidemic in our country, as of 1988." Soberón added, "It has already become a priority national problem."

Chilling figures were presented at the congress on the merciless advance of the disease; the unspoken but unavoidable truth that came through was that the economic havoc wrought by International Monetary Fund-dictated policies over the past five years has reduced the living and nutritional levels of the Mexican population to the point that immunological defenses have been stripped. In fact, the tragedy of AIDS-ravaged Africa could well be Mexico's not-so-distant future.

The figures speak for themselves. From March through October of this year, the number of cases officially registered in the country rose from 344 to 779, representing an average growth rate of 400%. However, in specific areas of the country, such as the states of Jalisco, Coahuila, Baja California, and Nuevo León, it is doubling every four to five months, signifying an 800% annual growth rate! In March, 111 persons died of AIDS; in October, 231 AIDS victims succumbed. These figures were presented by the health ministry's director general of epidemiology, Jaime Sepúlveda Amor. Deputy Minister of Health Jesús Ka-

mata added that AIDS had already arrived in rural zones of the country.

Most frightening is the growing incidence of AIDS among Mexico's children, especially because the proportion of AIDS-infected minors under 15 years of age is three times that of the United States. In eight months, the officially recognized number of minors infected with AIDS rose from 4 to 26. While among Mexican adults, there is 1 infected woman for every 21 infected men, among minors of 15 years or less, that ratio is 3 to 1. Sepúlveda Amor announced that the fact that the number of cases of perinatal transmission—three in the first eight months of this year—had increased, meant that the epidemic has already affected the heterosexual population.

Further, despite the legislation to regulate blood transfusions rushed onto the books in mid-1987, the rate of infection by transfusion rose from 4.6% to 7.8% in October. Perhaps the reason can be found in Minister Soberón's argument against "closing the border" to conduct obligatory health tests on those entering the country. "In addition to causing panic" and "affecting tourism," he argued, "blood tests have not proven infallible, because the virus does not have a definite period of incubation." He then confessed the real reason: "Besides, the cost of these tests is very high."

It was the seriousness of these figures which motivated various medical organizations to organize the First National Congress on AIDS. Among

them were the Mexican Association of Epidemiology, the Mexican Association of Immunology, the Mexican Association of Infectious Disease, the Mexican Society for the Study of Hematology, and the Mexican Association of Internal Medicine.

Not appearing at the conference was the Mexican Association for Fusion Energy (AMEF), whose public campaign against the theory that AIDS is limited to so-called "risk groups" has shaken the country. Nonetheless, the influence of the AMEF was reflected in the fact that during the three days of the congress, the government ran a very expensive media campaign to deny that AIDS can be transmitted through mosquitoes, sweat, tears, or casual contact.

But the most pathetic performance at the national AIDS congress was that of the attending homosexual contingent, represented by Gerardo Ortega Zurita, of the homosexual Revolutionary Action group. Ortega Zurita's group, which has violently opposed application of the standard public health measure of quarantining AIDS victims, calling it a "violation of human rights," urged instead the application of euthanasia for AIDS sufferers. This folly extended to Mexico's health authorities as well. While not explicitly endorsing Ortega Zurita's proposal, neither have they rejected it. Health Minister Soberón told the congress that "family education" was required for AIDS.

Thus, instead of acknowledging the need for a debt moratorium which would free up resources to rebuild the Mexican economy and raise the living standards of the population, the government is instead trying to convince the Mexican people that the disease limits itself to high-risk groups, thereby obviating the need for a costly public health program. Just what the IMF ordered.

Church, army unite against 'coup'

On the anniversary of a Comintern-organized rebellion, warnings are issued.

On Nov. 27, as every year, the Brazilian armed forces rendered homage to the "dead of the Communist putsch." The putsch came from a movement organized by the Comintern 52 years ago, through which "a few traitors tried to impose a totalitarian government on the Brazilian nation by force," according to the signed declaration of the commanders of the three armed services.

The Comintern's 1935 movement was a frustrated armed rebellion, run by the international Bukharinite networks, in particular, by Luiz Carlos Prestes under orders of the German Communist Arthur Ewert. Ewert, in turn, was a colleague of Jay Lovestone, the architect of the AFL-CIO'S international section. The Comintern-sponsored uprising was directed against the government of then President Getulio Vargas, the Brazilian nationalist who created the basis for Brazil's industrialization, and who is one of the great pioneers of Ibero-American integration.

Bukharin's networks, today disguised as "anti-communists," are the soul of the "parallel government" in the United States known as Project Democracy.

The Armed Forces' declaration does not overlook that connection: "Fifty-two years later, the threat with which we must now concern ourselves, although it presents itself to us in different forms, possesses a similar nature to that which in 1935 led to the assassination of those brave patriots whom we revere today. . . . There is a proliferation of those who, consciously or not, are participating in a

process of social disintegration and perversion of values, a process which could fatally wound the national soul and destroy all that, whether with blood or with sweat, the Brazilian people have built over this half century."

The statement clearly reflects the discussions Ibero-American military commanders held in Mar del Plata, Argentina in early November, which addressed ways of dealing with narcoterrorism and cultural warfare based on the doctrines of the Italian Communist Antonio Gramsci.

"The different forms" being used "to impose a totally foreign system of government upon the aspirations of the Brazilian people," as the Armed Forces document asserts, are those being employed by the Soviets in a modern version of irregular warfare against the continent. Namely, "promotion of organized crime, drugs, and moral permissiveness," presented "as the natural fruits of progress," and with "defense of urban and rural violence as the right of the individual."

The military statement also notes that those who would carry out these plans are "minds which, either for personal or political ambition, astutely practice corruption and demagogy."

The Armed Forces' alert is a verbal portrait of the movement led by former Rio de Janeiro governor and demagogue Leonel Brizola. But behind the demagogy that Brizola wields is a genuine movement of irregular warfare inside Brazil. Associated with that movement is the ancient Luiz Carlos Prestes, leader of the 1935 putsch.

During his rule in Rio, Brizola joined with Darcy Ribeiro, the Nazi-Communist anthropologist who represents the Bulgarian-Gnostic connection in Brazil, to build an alliance with organized crime to control the city. Subsequently, many of the traditional leaders of Rio's neighborhoods were displaced and even physically eliminated. Those criminals today control nearly all of the organizations in the poorest parts of the city.

Brizola, who is frequently referred to as the "Willy Brandt of Brazil," is the man chosen by the German social democracy to try to take over the Brazilian presidency in next year's elections. As Willy Brandt's emissary, German congressman Freimut Duve, stated during his recent visit to Brazil, "In Europe, we know little about Brazilian politicians. To the Socialist International, Leonel Brizola is a figure of democratic socialism. We know and respect him; he belongs to the organization."

The Brazilian Catholic Church has added its voice to that of the military in warning against this new "Communist putsch." Cardinal Don Eugenio Sales recently asserted that "the population, by the nature of its structure and composition, is unstable, subject to rapid changes in behavior and easy prey to agitators. A tiny minority, using appropriate techniques, can without great difficulty lead huge multitudes, indulging sometimes shameful desires."

"Thus," concluded Cardinal Sales, "alongside the importance of the masses—respectable insofar as the dignity of the person is concerned—is the risk of manipulation, for dark purposes. . . . There is talk of dictatorship. The worst comes from the people, in the sense of the anonymous multitude, under the command of certain not always obvious personages."

International Intelligence

Sabotage blocks U.S. military train in Germany

Sabotage halted a U.S. military train in northern Germany on Dec. 2.

A U.S. military rail transport, traveling from Bremen to Berlin, came to a sudden halt when the train ran into iron hooks placed on the overhead high-tension wires providing power to the train. Struck by the train, the hooks tore down the power lines over a distance of several hundred meters.

There have been over 30 such incidents of sabotage against civilian trains since the spring of 1986.

The incidents have been blamed on the German "peace" or "anti-defense" movement, a Soviet-sponsored irregular warfare operation. In some cases, the direct involvement of Soviet military professionals has been mooted.

Soviet general visits Thailand

Gen. Yevgeny Ivanovsky, commander in chief of the Soviet Ground Forces, recently visited Thailand, returning the visit of Thai Commander in Chief Gen. Chavalit Yongchaiyut to Moscow. This was the first visit to Bangkok by a high-ranking Soviet Army officer.

General Chavalit has taken a stand on the turmoil in neighboring Kampuchea that views it as "a civil war between two Communist factions," rather than a question of resistance to the Soviet-backed Vietnamese occupation. Chavalit has called on the Soviets to make greater efforts to resolve the Kampuchea crisis, because of the Soviet leadership of the world socialist movement.

Former Cambodian ruler Prince Norodom Sihanouk, by agreeing to meet with Kampuchean Prime Minister Hun Sen in Paris Dec. 2, has implicitly accepted the position that the Kampuchean conflict is a "civil war."

Argentine workers stage anti-IMF strike

Industrialists, industrial workers, and the farm sector have expressed their hostility to the austerity policies of Argentina's President Raúl Alfonsín's government.

On Dec. 1, the Peronist General Confederation of Workers (CGT) staged a general strike, demanding that the economic policies imposed on Argentina by the International Monetary Fund (IMF) be thrown out.

At the same time, the executive board of the Argentine Agricultural Federation declared a "state of alert and mobilization" of agricultural producers, to "reject the existing economic policy." The AAF insists that "the orientation which is defined by foreign creditors and the International Monetary Fund, should be definitely thrown out," said the organization's statement.

They join the Argentine Industrialists Association in rejecting the \$4.5 billion tax increase package the IMF is demanding. And they plan to carry out "joint action with other organizations and political parties throughout the entire country."

In preparation for the Dec. 1-2 general strike, the CGT staged a series of assemblies, meetings, and public gatherings to educate workers on the nature of the anti-IMF fight. CGT leader Saul Ubaldini said the strike is labor's response to the government's refusal to alter its economic policy.

Polish voter abstention imperils perestroika

"The Polish vote risks considerably weakening the Soviet Union's number-one status," wrote French Soviet expert Alexandre Adler in the Paris daily *Libération* Dec. 1. The Polish government at the end of November had asked Polish citizens to vote for or against two economic plans advanced by the Jaruzelski government, in an exercise in

democracy much publicized in the West. But Polish voters proceeded to vote "No" on both plans—a development being widely interpreted as an embarrassment to both Jaruzelski and Gorbachov.

It may seem in the West that holding the referendum was a victory for Gorbachov's reforms, wrote Adler, but the result of the referendum is the opposite. Now, Gorbachov's adversaries, both in the U.S.S.R. and in Eastern Europe, will exploit this failure to act against the totality of the Gorbachov policy package.

Polish leader Wojciech Jaruzelski has been, after all, Gorbachov's "principal ally" in Eastern Europe, and Poland has been Gorbachov's "battle-horse" in his reform effort.

The results of the election, from which fully one-third of eligible voters stayed away, will affect "the correlation of forces between Gorbachovians and conservatives throughout East Europe," strengthening anti-*glasnost* tendencies in Czechoslovakia, East Germany, and Bulgaria. "For the East European old guard, the Polish result, like the insurrection in Budapest in 1956, will appear as God's judgment on the lack of prudence of *perestroika*."

Adler noted that one contributing factor to the low voter turnout, was that Polish Cardinal Glemp and the Polish episcopate refused to call out the population to vote.

Italy's *Corriere della Sera* referred to the vote as Gorbachov's "political Chernobyl," whose effects will spread internationally. It is especially problematic for Gorbachov, stressed the author, because the affair which saw the removal from the Politburo of Gorbachov ally Boris Yeltsin "is not yet finished."

Archbishop Francesco-Colasuonno, the Pope's personal "trouble-shooter," left Rome Dec. 1 at the head of a Vatican delegation to Poland, as Vatican Radio commented that the results of Poland's economic reform referendum were "a great demonstration of a lack of trust six years after the banning of Solidarity." One Vatican source told London's *Daily Telegraph*, "The outcome of the voting gives a whole new dimension to the Monsignor's mission."

Briefly

INF accord may not stand legal test

Could Europe mount a legal challenge to the accord on Intermediate Nuclear Forces? France's Jean-Marie Benoist, who recently signed an anti-INF advertisement that appeared in the *Washington Post*, raised this question in the Dec. 1 issue of *Le Monde*.

Benoist, president of the European Center for Strategic and International Relations (CERIS), wrote that, "In international law, this treaty remains very dubious and, consequently, assailable in the courts, since the Europeans have not been party to it, taking into account that it is a question, in the first place, of Europeans' survival and liberty."

Benoist admonished "American legislators, before ratifying this bad accord which [Defense Minister André] Giraud rightly called a 'New Munich,' [to] take to their heart the voices of authoritative Europeans and give weight to the fact that one does not disarm oneself unilaterally of vital defenses in the face of the enemy."

Under the headline, "Euromissiles: Who Benefits from This Accord?" Benoist warns that the treaty removing U.S. missiles "will place us in a unenviable situation, comparable to that which existed on the eve of the two preceding world wars." He recalled President Charles de Gaulle's unheeded warnings that the Yalta agreement would put Eastern Europe under the "yoke of Soviet domination."

He concludes, "The results of the probable denuclearization of Western Europe can already be read in West Germany, where the President of the United States, the new Roosevelt of Yalta, is in the process of becoming the hero of the Greens."

Green chief in Switzerland as 'peace' riots erupt

German Green Party leader Jutta Ditzfurth arrived in Switzerland shortly before the outbreak of riots in Berne on Nov. 25-26.

She met with "representatives of the Swiss anti-war movement" and with "grassroots groups" in Zurich.

Ditzfurth, who was in Moscow recently, is a strong advocate of violence and sabotage, and expressed her support for rioters who ambushed and shot to death two policemen in Frankfurt Nov. 2.

On the evening of Nov. 26, "squatters," like those of the Hafenstrasse district of Hamburg, West Germany, (see *EIR*, Nov. 27, 1987, p. 48), launched violent riots in the Swiss capital of Berne, using flares and firing potentially lethal steel pellets from slingshots at the police—a level of organized violence only seen in Germany until now.

Germany's Genscher plans NATO troop cuts

Hans-Dietrich Genscher's West German foreign ministry is working on plans for huge troop cuts in Europe, wrote the Nov. 30 issue of West Germany's *Der Spiegel* magazine.

Genscher's troop cut plan consists of a first phase that, by Summer 1988, imposes a ceiling on East-West troop strength "slightly below present levels." Phase Two foresees an "approximate 25% reduction" in troop strength "on both sides," followed by both NATO and the Warsaw Pact pledging to "limit major weapons systems" like tanks and artillery, especially in front-line areas. The cuts would be "controlled by on-site inspection." "In order to lift the danger of surprise attack, tank divisions would consist primarily of reservists."

Genscher plans to present his package to the March session of West Germany's Federal Security Council, prevailing over opposition from Defense Minister Manfred Wörner, and then to get it implemented throughout the NATO alliance.

Spiegel concludes, "Even U.S. Ambassador Richard Burt is distrustful of Genscher," and was heard to ask whether the latter has drafted such a scheme "because he comes from East Germany."

● **THE EGYPTIAN** daily *Al-Ahram*'s diplomatic editor, Hedayat Abdel Nabi, has urged the United States to launch a development aid package for the Middle East based on the postwar Marshall Plan. She made the proposal in a commentary that appeared in the *Atlanta Constitution*.

● **FRANCE** is working to collect all the evidence that would facilitate an intervention" with Syria to obtain the extradition of Nazi Alois Brunner, who is currently based in Damascus, French Foreign Ministry official Didier Bariani indicated to the French National Assembly on Nov. 29.

● **'GORBACHOV: A Risk We Must Take,'** writes British Social Democratic leader David Owen, in *The Independent*, Nov. 28. Owen stated, "It is in British interests that we should move from a bi-polar world to a multi-polar one, where one of the poles is Western Europe. . . . We must give Mr. Gorbachov his chance, all the time conscious that he may not last." On Nov. 23, Owen had delivered the Toronto Star Lecture in Canada, laying out the same perspective.

● **SEVENTY** people are infected with AIDS in East Germany, according to the state news agency ADN. Four now have the disease, and two have died. Dr. Nils Sönnichsen of East Berlin's Charite hospital was quoted, "mandatory registration is helpful."

● **MANFRED WÖRNER**, the West German defense minister, is isolated in the Bonn government in his opposition to the INF agreement, Bonn sources report. Chancellor Helmut Kohl is backing Foreign Minister Hans-Dietrich Genscher, a supporter of the treaty.

Opposition grows to 'Reagachev' arms deal

by Nicholas F. Benton

On the eve of "Pearl Harbor Day summit," when Reagan and Gorbachov were slated to sign a treaty to eliminate all Intermediate Nuclear Force (INF) missiles, a groundswell of opposition to the treaty in the United States and the NATO alliance began to surface.

This first became apparent on Dec. 4, with the appearance of a full-page advertisement in the *Washington Times*, signed by the "Ad Hoc Committee to Stop the INF Treaty," which warned that "the political consequences of the proposed INF treaty are already shaking the foundations of the Western alliance." Signers included over 200 military, political, scientific, and community leaders of the United States, West Germany, England, France, Italy, the Netherlands, Spain, Denmark, Sweden, Norway, Switzerland, Turkey, and Bolivia. The ad also appeared in the *Manchester Union Leader* in New Hampshire, and is scheduled to run in the *Washington Post* and the *International Herald Tribune*.

Paid for by the Schiller Institute, headed by Helga Zepp-LaRouche, wife of U.S. Democratic presidential candidate Lyndon LaRouche, the ad broke into a Washington environment already highly charged with the presence of a Soviet delegation and many of the 5,000 international press that had already arrived for the summit. Secretary Gorbachov's slick interview on NBC television on Nov. 30—which unleashed a new wave of what Washington pundits now call "gorbasm" in the media—was followed by an interview on Dec. 3 on all major U.S. networks with a halting, confused, and dangerously deluded President Reagan.

Conservative backlash

The "Ad Hoc Committee" ad had no sooner hit Washington, than a coalition of organizations formerly supportive of President Reagan, called the "Anti-Appeasement Alliance," followed with an explosive press conference at the National

Press Club, charging that Reagan appeared ready to sacrifice the security interests of the nation in favor of "commercial interests who wish to do business with the Soviets—represented by persons such as Armand Hammer, Dwayne Andreas, Donald Kendall, and William Verity."

Conservative Caucus chairman Howard Phillips, who is co-chairman of the "Anti-Appeasement Alliance," vowed to fight "the 'Reagachev' doctrine," and said that the President had become "a useful idiot in service to the Kremlin . . . an amiable simpleton, an Ed Wynn's 'perfect fool,' " under the control of a "triumvirate of appeasers: Howard Baker, George Shultz, and Frank Carlucci." Phillips called Reagan "a very weak man with a strong wife and a strong staff," adding, "He is little more than a speech-reader-in-chief for the pro-appeasement faction."

He pointed out that with the removal of all INF missiles from Europe, the West will have no more theater nuclear missiles that can effectively strike the interior of the Soviet Union, while the Soviets will retain 92% of their nuclear missiles capable of hitting Europe (and points beyond). As the "Ad Hoc Committee" ad also pointed out, new Russian mobile ICBM systems, the SS-24 and SS-25, and the short-range SS-21, will combine with exotic new weapons technologies, such as radio frequency weapons, to augment the 6-to-1 Soviet conventional force advantage and give the Soviets, without INF missiles, an insurmountable military advantage in Western Europe.

While weighing in against Reagan himself, Phillips also singled out Defense Secretary Frank Carlucci for attack, noting that he was originally "Walter Mondale's choice to be deputy director of the CIA during the Carter administration."

This is particularly relevant because, since taking over from Caspar Weinberger at the Pentagon in November, Carlucci has shown a willingness to accommodate to demands

by liberals in Congress to slash the defense budget, including a 33% cut in funding this year for the Strategic Defense Initiative (SDI). Leading up to the Reagan-Gorbachov summit, Carlucci was in Europe, alluding to the need for the United States to cut its troop levels there.

Phillips pointed out that Carlucci "used U.S. tax dollars to subsidize radical Marxist activities as director of the U.S. Office of Economic Opportunity in 1970-71 . . . and was close to Patrice Lumumba during his service in the Congo." He added that during Carlucci's stint as ambassador to Portugal, Communist control of the former Portuguese colonies of Angola and Mozambique was consolidated.

But Phillips saved his strongest verbiage for the President himself, saying that he "is depending on Gorbachov now the same way that Nixon depended upon Brezhnev in 1973-74." He said that Reagan "has already sunk more U.S. submarines than anyone since Hitler," in an effort to maintain a unilateral compliance with the never-ratified SALT II treaty for six years, and now, "with the final terms drawing to a close, Reagan is no longer in any way accountable to you or me or millions of others who recognize that we are in a deadly, strategic end-game with the Soviet Union, which is militarily the most powerful regime in world history."

The attacks on the President's policy were further fueled by the publication in the *Washington Times* on Dec. 4 of a report on a forthcoming book by former White House Chief of Staff Michael Deaver, which states that Deaver teamed up with Nancy Reagan to get the President "to soften his line on the Soviet Union, to reduce military spending, and not to push 'star wars' at the expense of the poor and dispossessed." According to Deaver's account, "It was Nancy who pushed everybody on the [November 1985] Geneva summit. She felt strongly that it was not only in the interest of world peace, but the correct move politically. She would buttonhole George Shultz, Bud McFarlane, and others to be sure that they were moving toward that goal."

Conservative mail-order fundraiser Richard Viguerie, the other co-chairman of the "Anti-Appeasement Alliance," charged that ratification of the treaty by the Senate will fracture the Republican Party and have disastrous consequences for the 1988 elections, by blurring the distinctions between the parties in the eyes of voters. He said that Vice President George Bush would have to ask for a delay in the ratification vote to avoid this.

Phillips added that Senate Minority Leader Robert Dole (R-Kan.), also a presidential candidate, would be key to whether or not the treaty were ratified by the Senate, but added, "Dole is not on our side. . . . He is a less-clumsy George Bush who is no threat to an Armand Hammer or Dwayne Andreas."

President Reagan, meanwhile, tried to pander to Senate Republicans whose votes he will need for ratification of the treaty by making some tough-sounding statements about the Soviets, and issuing a report on Soviet treaty violations on the eve of the summit. The report, despite its disturbing

revelations about ongoing Soviet preparations to prepare a nationwide anti-ballistic missile defense, did not deter the President from committing himself to sign the INF treaty on Dec. 8.

But the anti-INF momentum is only beginning. In a briefing at the Foreign Press Center in Washington Dec. 3, Steven Andragna of the Institute for Foreign Policy Analysis confirmed that "the Soviets intend to gain an overwhelming advantage in their forward deployment at key points in Western Europe," as a result of the INF treaty, and that the Soviets have not abandoned the "theory of the offensive" as their strategic military doctrine.

In the effort to drive this point home, former NATO Supreme Commander Gen. Bernard Rogers and former U.S. Ambassador to France Evan Galbraith will redouble their fight against the treaty. Dan Casey, executive director of the American Conservative Union, said that a series of "killer amendments" will be added to the treaty when it reaches the Senate floor, including: 1) a requirement that the Soviets comply with existing arms control treaties prior to confirmation of the INF treaty; 2) pro-SDI and pro-tactical defense language in the treaty; and 3) conventional force reductions to parity levels, prior to confirmation of the INF treaty.

Soviets thrown off guard

Despite Gorbachov's best "Madison Avenue" efforts, others in the Soviet delegation contributed in their usual fashion to discrediting themselves in the eyes of the U.S. population, during a series of press briefings in Washington leading up to the summit, particularly when faced with tough questioning from *EIR*.

Soviet experts held three briefings before jammed audiences at the National Press Club Dec. 2-4, and each time were thrown onto the defensive by *EIR* because of their inability to adjust to Gorbachov's new admission, during his NBC-TV interview, that Moscow has an aggressive SDI research program of its own. Despite the fact that they have been spending, according to a CIA estimate, more than \$150 billion working on military applications of directed-energy systems for the last 20 years, the Soviets had categorically denied any such effort ever since Reagan launched the U.S. SDI program March 23, 1983.

When this reporter reminded Soviet Academician Yevgenii Velikhov of a heated debate between the two of us on this issue last year at the Reykjavik summit, and challenged Velikhov to explain why Gorbachov had now admitted what was denied before, Velikhov reacted defensively, shocking the audience by denying that Gorbachov had admitted to Soviet work on an SDI. Two days later, this reporter challenged Soviet Communist Party Central Committee member Albert Vlasov with the same question, asking why the Soviet "strategic deception" on its SDI work had been dropped. It was again denied, and it took three tries from this reporter to force Vlasov to concede that Gorbachov had, indeed, admitted to the Soviet SDI effort.

U.S. negotiated SDI with Soviets since '85

What follows is excerpted from the transcript of a White House pre-summit background briefing on arms control issues, on Dec. 2, 1987.

Q: Secretary Gorbachov, in his interview on Monday, indicated that he fully expects to make major headway on that when he comes here next week. How far do you expect to get? What is the benchmark, do you think, that might be achieved on any START negotiations during his visit?

Sr. Admin. Official: I wouldn't want to answer it on a basis of "expect to get." I could only say what we would hope to get is very far in resolving some of the important fundamental issues. [To other briefer] Do you want to make a comment on that?

Sr. Admin. Official: Well, I think the—one of the benefits of this summit and the INF agreement is that it clears the decks of INF, to get on with START, which is certainly of great importance. Having said that, there are a number of very big issues which divide us. In START alone we have the sublimits, and then a whole host of very difficult verification problems which I would say was—in order of magnitude, they're greater than INF.

Then there's also the linkage the Soviets have imposed. They, by their code words, have said that we must—quote—"strictly abide by the ABM Treaty." And when we asked them in Geneva what this meant at their level, the level we were talking about, they said, "You may not test systems and components in space." So their buzz words are still that they want to hamper or hinder an SDI—

Q: To follow up, do you—might you—might it be possible to achieve at least an agreement in principle on START? And also, as part of that question, would you—do you have any indication that Mr. Gorbachov will bring new proposals on ABM Treaty language?

Sr. Admin. Official: Let me comment on that . . . obviously the issues that [the other briefer] has pointed out to you are issues that we hope will be significantly narrowed during the time of the meeting of the two heads. I didn't want to answer the question as to what we expect, I can only tell you what we hope and what we will be working to achieve.

Now, with respect to the second part of your question, let me simply point out that we are interested in a treaty.

We are not interested in an agreement which will not end

in a treaty, because an agreement which will not end in a treaty will, let's say, be a declaration coming out of the summit period, does not bind them in any way, is not legally binding. We may therefore find ourselves in the situation where the Soviets, not being bound by a lawful instrument, would go ahead and do anything they wished to do in their national interest, whereas realistically we might find ourselves being unilaterally encumbered. As a result, a reasonable position by some members of Congress saying, "We're about to have it, next year or the year after; why spend money on this, that or the other thing?"

That kind of unilateral disadvantage is not in our interest. And that's why we're pushing for a treaty. And, as a practical matter, the Soviets have communicated to us a very clear intention to join us in that objective. And as you know, the Soviets have publicly suggested the forum for signing such a treaty might very well be the next time there is a summit, which they have suggested be in Moscow. . . .

Q: . . . The discussion over transition to defenses has focused recently on the idea of predictability, and the Soviets seem to have embraced that as well. In addition to the open labs concept and some exchange of data, what other notions are there from the U.S. side on increasing predictability?

Sr. Admin. Official: We have tried to get the attention of the Soviets to the following overall approach—and I just want to explain what we're talking about here. We have in effect said to them, look, we're living in a new world. It's a world of rapidly evolving technology. The SDI program is a reflection of that. Obviously the new technologies affect the force structures, not only our own, but yours. We know you're doing work in this area, because of these new technologies.

Now, one of the interesting things is an acknowledgment of that by Mr. Gorbachov the other night. We know, we've known that. We know you're doing work in this field, we're doing a lot of work in this field. From our point of view, we see a possibility, now we're doing research on it, which moves our force structure, and maybe all of our force structures from an offense-dominated force structure, to a transition to a defense-dominated force structure.

Shouldn't we be talking about this with one another? Shouldn't we be visiting one another's laboratories? Shouldn't we perhaps be present at tests that take place? But overall, shouldn't we be talking to one another and trying to figure out a way to adjust to the new technologies in a stable manner? That's been our approach to the problem.

Now predictability, in the meantime, makes sense while this is happening, because it's evolving—who knows what we'll learn next year, what will come up next year. So you want some predictability, and the President has suggested a notion of predictability by saying for a period of time—and we have said the period of Dec. 31, 1994—we want to have, for that period of time, we'll agree not to withdraw from the ABM Treaty. That remains static. But that has to be—and I

personally have said to these people, "Do you have better ideas for predictability? Do you have other ideas for confidence-building measures? Tell us what they are." We want to discuss them.

Q: Could I just follow on that briefly? You talk about staying within ABM, but that means describing what ABM means. Does the U.S. plan to offer any notion of what would be considered within ABM in terms of testing of SDI in the future?

Sr. Admin. Official: Let me say to you very clearly that from March of 1985—and the reason I'm asserting this is because I have read things to the contrary—from March of 1985, the American delegation in Geneva has been explaining its position on the ABM Treaty and asserting its position to the Soviets, and we have had discussions about it. We have pointed out how much of our position is very similar to the positions previously taken by the Soviets in their interpretation. We have a difference of opinion. I don't want to minimize this. But we are talking about it.

Q: Can you clear up all of these reports that there have actually been conversations with the Soviets about what kind of tests? . . .

Sr. Admin. Official: This—two years ago, some of the Rand Corporation people talked to the Soviet scientists, and there was some discussion amongst them as to how one might compose a list and characteristics of devices on that list, and that below that, those thresholds, one would be free to test, and above them the limitations of the ABM Treaty would apply. And I did talk to Velikhov and to Sagdeyev about those things that had been discussed prior to that time with the Rand Corporation. But there have been no subsequent discussions after those discussions some time ago. It is certainly true that we have talked to all the U.S. scientists. We've talked to the laboratories, the government laboratories, to Livermore, to Los Alamos, to all the government laboratories and the people in the Defense Department, trying to learn whatever we can from anybody who knows something about these issues.

Q: And do you have a conclusion as to—when the President says in all of his recent speeches that when we're ready we will deploy, do you have a timeframe in mind that makes sense technologically? When—what timeframe that would be?

Sr. Admin. Official: The timeframe that we've talked to the Soviets about is seven years. And we said that—or 1994—Dec. 31, 1994—and we said that we would not exercise our right of withdrawal from the ABM Treaty.

Q: Is that because that would be the earliest that it would be possible to deploy? Is there a connection between what is technically feasible and that seven year period, or is that—

Sr. Admin. Official: I don't believe that anybody believes that one can deploy earlier than that; that's correct.

Other Sr. Admin. Official: On the question of this difference of interpretation of the ABM Treaty, is the President

prepared to move in any way toward the Soviet position, which is that there should be some limits on testing? Or is the President sticking to his position at Reykjavik that there should be no restrictions on development, the only question of predictability would involve deployment?

Sr. Admin. Official: No, I think the position is that we do—the President does not propose that there be any amendment to the ABM Treaty from the provisions as they were negotiated in 1972. In other words, the treaty stands on its own bottom, and he doesn't propose that we amend that treaty.

Q: I'm not talking about amendment, I'm talking about an agreement on what is permissible under the treaty. There are different interpretations obviously as [the other administration briefer] referred to. Is the President willing to alter the interpretation that the U.S. has applied to this treaty concerning placing limits on the testing of SDI?

Sr. Admin. Official: I believe not. I think we're clear as to what the meaning of the treaty is in that sense. . . .

Q: Gentlemen, in his new book *Perestroika*, Gorbachov talks about SDI research not only in the laboratory, but also in what he calls "factories, institutes and test ranges." Is there anything new in that language? Is it meaningful? And does it leave any room for negotiations?

Sr. Admin. Official: Well, there is something new in that language compared to previous Soviet statements which have said it's okay to have research in the laboratory, limiting it to the laboratory. And the extent to which the book goes beyond that, it's obviously a new formulation. But I want to make very clear to you, unambiguously, there is no provision in the ABM Treaty, which, in any way, cuts back on any research, anyplace, anytime and I just want to make that clear. Any effort to cut back on research by limiting to one or one, two and three is, in itself, not consistent with the ABM Treaty. That has been our position. It is our position. I think it's an unequivocal position and it's a completely correct position and in my knowledge is not an issue of controversy in the United States. . . .

Q: In that second passage, you referred to "sitting down and discussing components that could be tested in space and components that could not be tested in space." Does that represent anything new?

Sr. Admin. Official: That refers to the same idea that was discussed by Velikhov and Sagdeev, a year and a half ago, as I remember it, and that idea was that when they would propose a list of devices and a list of characteristics of those devices, and if those devices have capabilities above those thresholds, then they cannot be tested in space. If they have capabilities below those thresholds, then they could under the Soviet proposal, be tested in space.

The main point about that, from my standpoint, was that even the Soviet position says that there are certain types of devices that can be tested in space for the purposes of ABM research. . . .

Book Review

The psychosis of strategic cowardice

by Anthony K. Wikrent

Winter Hawk

by Craig Thomas

William Morrow & Co.

525 pages hardbound, \$18.95.

In ordinary times, Craig Thomas's new novel, *Winter Hawk*, would be an entertaining narrative of an imaginary covert operation of deep penetration into the very heart of the Russian beast. But, in these times, when the Western financial system is freely falling into the abyss, while a fantasy-driven President Reagan hastens to reaffirm Dec. 7 as a "Day of Infamy" by affixing his signature to a document that establishes Russian hegemony over all Europe, *Winter Hawk* becomes a description of the psychosis of cowardice that now grips Western elites in general, and the Reagan White House in particular.

Just weeks before Soviet General Secretary Nikitin and U.S. President John Calvin are to meet in Geneva to sign a sweeping nuclear disarmament pact—and while both countries have already begun, with great media fanfare, to dismantle portions of their nuclear arsenals—an American spy at the secret Soviet Baikonur space center shocks the CIA by warning that the Soviet military is rapidly preparing the world's first operational laser battle station for launch into orbit. The treaty President Calvin is about to sign makes no mention of such a weapon, because U.S. intelligence had convinced itself, and the President, that it would take the Soviets at least 10 years to develop such technology. Now, the Soviet Union is about to become the only militarily significant superpower on the planet.

Rather than finding some excuse to cancel or postpone the signing ceremony, a stunned and disoriented President Calvin is paralyzed by his fear of "unfavorable public opinion," and demands that the CIA bring the spy and the evidence to him for personal examination. The Director of Central Intelligence desperately concocts an improbable plan to steal two Soviet military helicopters, train American pilots

to fly them, and use them to fly into the heavily guarded Baikonur complex, pluck the spy and the evidence out of the maws of the KGB and the GRU, and fly them safely out again—all within a two-week period!

As the story unfolds, it becomes clear that the success of the mission hinges on the determination and sheer survival instinct of one man: a cynical, jaded, and emotionally drained Vietnam fighter pilot and POW, USAF Maj. Mitchell Gant, the hero of Thomas's previous two bestsellers, *Firefox* and *Firefox Down*.

A central feature of *Winter Hawk* is the struggle for power between the Soviet military, and the *nomenklatura* of the Soviet Communist Party. The animosity between the party faithful of the KGB, and the fanatically arrogant military GRU, is seared into almost every page, reflecting the power struggle inside the Soviet Union, between the "cosmopolitan" heirs of Nikolai Bukharin, who welcome a "New Yalta" deal with the West, and the hard-liners around Marshal Nikolai Ogarkov, who view the West's financial collapse as the "final crisis of capitalism" which will usher in the new age of unchallenged Soviet world rule. The Ogarkov faction therefore views any suggestion that a deal be struck with the moribund and self-stupified West, with the deepest contempt. And, just like the tottering Reagan administration of today, the fictional President Calvin and his advisers, are oblivious to this crucial reality of Soviet power.

Thomas has Gant escape from the hotly pursuing Soviet military with the required proof, while a heroic KGB colonel is able to stop the use of the laser battle station. Nikitin and Calvin sign a slightly altered treaty that also prohibits the development and deployment of laser weapons. But, in the real world, the Soviets have already used laser weapons a number of times to irradiate Western aircraft and satellites; the most recent instance occurred last month, when the Soviets conducted a test flight of the TT-09 missile (follow-on to the silo-killer SS-18 ICBM) which landed within 300 miles of the Hawaiian Islands.

The one crucial difference between the real President Reagan, and the fictional President Calvin, is that Calvin comes to recognize the enormity of the disaster about to befall his country if he fails to confront the Soviets with hard proof of their military's duplicity: As he boards the plane that will whisk him to Geneva, Calvin turns to the admiring throng, and, with his recent words of "great hopes for peace" stale and bitter in his mouth, forces a faked smile, as he thinks to himself, "My fellow Americans, I leave you to engage upon the greatest betrayal of my country any American citizen has ever contemplated or achieved."

Let us beseech the Almighty that President Ronald Reagan be soon tormented with similar thoughts when he contemplates his imminent summit meeting with Mikhail Gorbachov, and before he signs an INF treaty that will assuredly reserve him a significant place in history—as the last President of a sovereign and independent United States.

Chase Manhattan CEO demands Mexico's blood

William Butcher, the chairman and chief executive officer of both Chase Manhattan Corp. and Chase Manhattan Bank, is one of those people whose name tells you his policy. (There are others: Robb, Swindle, Gore, LaFalce, and DeLay, etc.)

Butcher made a candid speech at the Johns Hopkins University School for Advanced International Studies here on Dec. 1. He outlined a policy of unabashed economic brutality, flawed only by the profound delusion that this would prevent a global economic collapse.

Butcher claimed that the Weimar-style hyperinflationary blowout of the Mexican economy in November was "long overdue and necessary." "The only problem is that it happened all at once, instead of in a more ratcheted fashion," he grumbled. "This means there will be more pressure to raise wages faster than there would be if it happened more slowly."

He only thought it a little curious that a major devaluation of the peso occurred when it did. "Usually they wait until after the election to do it."

Otherwise, he refused to see any correlation between the fact that, as he put it, "Latin American countries have lost their appetite for new debt," down from \$86 billion in 1981 to \$10 billion in 1986, and the collapse of the Mex-

ican economy.

He also failed to assign any significance to the fact that the Mexican government has been among the most compliant to the "conditionalities" demanded by the International Monetary Fund, but suffered its traumatic devaluation nonetheless.

In fact, Butcher said that the latest peso devaluation "has only brought that currency in line with its real value," and that the economic growth potential of Mexico remains, as it attracts new U.S. capital to its slave-labor, sweatshop border industries.

He conceded that a similar chain reaction of currency devaluations will occur throughout Ibero-America, but gave no quarter to "dead beats" who refuse to pay their debts on time. He predicted "deep political trouble" over the next year for Peru and Bolivia, in particular, but said that while Brazil made a "big mistake" in declaring a debt moratorium earlier this year, "it has the most to lose from such a move, and also the most to gain from coming back into the fold." He was confident Brazil would "straighten out its act."

The most important issue of Third World debt, he said, concerns the "political will" of governments there to ignore the demands of their populations in order to meet their foreign debt obligations.

This line, of course, is nothing new from an international banker, but it belies an amazing lack of sensitivity, and just plain sensibleness. In the wake of the recent stock market crash, might it not occur to him that there is a need to develop new approaches, even in the narrowest interests of self-preservation in these rough economic times?

If a brutal austerity policy can be carried out in the Third World, combined with a domestic spending spree by consumers in the next six months, Butcher actually thinks everything will be "copasetic," and memories of the

fall's stock market crash will fade into history.

He said that the biggest problem in the world economy is currency imbalances: those which have caused the overvaluation of currencies in the Third World, and the overvaluation of the dollar. He called for a continued drop in the value of the dollar against the West German and Japanese currencies.

Budget deficit unrelated to market

In a single note of realism, Butcher said that the federal budget deficit had nothing to do with financial markets, and neither did the trade imbalance. About 90% of the world's dollar trading is cleared daily through the New York-centered computer system known as "CHIPS" (Clearing House for International Payments), and this had risen in the last three years to a \$650 billion daily. That translates into \$170 trillion a year. Of that, he said, only \$5 billion a day, or less than 1%, represents trade-related transactions. Therefore, trade flows have no impact on currency exchange rates, and vice-versa.

This is a condition created, he said, by the growth of the Eurodollar markets after currency exchange rates started to float in the early 1970s. It is imbalances in exchange rates, if sustained over a number of years, which can wreck an entire economy, he said.

He did not think that a return to fixed exchange rates was the answer, but demanded a series of bullying measures by the United States—not only imposing genocidal austerity on the Third World, but also "putting some real teeth" into trade negotiations with Europe and Japan. In effect, let's go on looting the world to save Chase Manhattan.

National News

Agents confiscate drug-runners' property

U.S. federal agents have confiscated \$20 million worth of property owned in the United States by members of Colombia's Medellín Cartel of drug traffickers. The properties include a ranch in central Florida with 35 show horses, and two Florida apartment complexes with 300 apartments.

Using a law which permits the government to take control of goods gained from the proceeds of the sale of drugs, authorities also took possession of a condominium in Bal Harbor, a luxury house in Miami Beach, and other properties in the same city.

This is the first time the new law has been applied to the Medellín Cartel, one of whose chiefs, Carlos Lehder Rivas, is currently on trial in Florida for his drug-trafficking activity, and another of whom, Jorge Ochoa, is currently facing extradition to the United States from Colombia.

The investigation that led to the property seizures had been under way for two years, and will continue, an FBI spokesman stated.

'LaRouche trial' now set for Dec. 14

At a status conference the afternoon of Dec. 2, Boston Federal Judge Robert Keeton set Dec. 14 as the starting date for the main trial in *U.S. v. The LaRouche Campaign, et al.* The trial had been postponed while one of the defendants, CIA stringer Roy Frankhauser, was tried separately.

The jury will be called in on Dec. 14 for additional questioning with respect to the influence of publicity on them, and also questions of hardship.

Judge Keeton said that he will hold closing arguments and the jury charge in the Frankhauser case on Dec. 9, and will reserve Dec. 10 and 11 for any remaining pre-trial motions or other matters. He also demanded that prosecutor John Markahm pro-

vide him with a "candid" estimate of how long the trial will take, saying that Markahm's previous time estimates have fallen far short of the mark.

It's Acheson on Korea again

A senior Pentagon and State Department consultant has in effect repeated Dean Acheson's notorious 1950 statement to the effect that Korea "lies outside our defense perimeter." That statement by a secretary of state is widely credited with triggering the Korean War. North Korea's invasion of the south followed shortly afterward.

Now, Edward Luttwak, a senior consultant to both the Pentagon and the State Department, has written a lengthy article, titled: "Coming to Terms with the Post-Nuclear Age," which has appeared in the *International Herald Tribune*, London's *The Independent*, and elsewhere. The article presents to Moscow a list of areas where, if Russia invaded, there would be no, or "probably" no, U.S. nuclear response.

In a sense, Luttwak has gone even further than Secretary of State Dean Acheson's early 1950s speech. He not only listed Korea as safe Soviet prey, saying the United States would not respond with nuclear weapons to a North Korean invasion, but also Taiwan—along with the islands of Quemoy and Matsu off the Chinese mainland—and even the northernmost Japanese Island of Hokkaido!

"Given the acute vulnerability of Hokkaido to a non-nuclear invasion from nearby Soviet territory (the Kuriles and Southern Sakhalin), it is hard to believe that a U.S. President would authorize nuclear attacks against Soviet forces in response to a non-nuclear attack on Hokkaido."

If you imagine this, coming from a Reagan administration official, has the Japanese frightened, regarding "post-INF Europe," Luttwak's signal to Moscow is no less inviting, and no less frightening: "The apparent U.S. readiness to use nuclear weapons against a non-nuclear invasion has declined and will almost certainly continue to decline further," he wrote.

'Non-traditional' candidate could win

"A nonpartisan voting research group" has issued a pre-election warning that a "nontraditional candidate" with an "activist organization" could win most of the presidential primaries and "force himself on the party convention," Jack Anderson reported in his syndicated column on Dec. 4.

The "nonpartisan voting research group" turns out to be "The Voters Caucus," described by Anderson as "a task force of University of Utah professors." It is co-sponsored by the International Platform Association, "a group which distributes voter information to a grass-roots network of political columnists and broadcasters."

Reports Anderson, "Jack Anderson is the nonpaid president of the International Platform Association."

Anderson describes a "nontraditional candidate" as one with his own ideas and his own independent political machine. Like the many polls in which Lyndon H. LaRouche's name is carefully omitted, and "Undecided" thereupon comes out the winner, Anderson seems unwilling to mention LaRouche's name.

He focuses on the "nontraditional candidates" Jesse Jackson and Pat Robertson.

A similar pattern emerges in a recent Associated Press poll of the preferences of delegates to the party conventions. In the first such poll of this election race, the overwhelming majority of automatic delegates to the Democratic convention—mayors, congressmen, etc.—showed no clear preference.

Titan launch puts U.S. back in space

The successful launch of a Titan 34D rocket has given the United States a heavy-launch capability, "putting us back in space," as a military spokesman put it.

Briefly

After a secret countdown, a giant Titan 34D carrying a classified Defense Department satellite blasted off on Saturday, Nov. 28, at 10:27 p.m. from Cape Canaveral. The launch lighted up the sky for miles.

It put some smiles on the faces of Defense Department officials, for whom the launch was the end of the long "dry spell" that began with last year's string of space disasters, following the explosion of the Space Shuttle Challenger.

The classified payload was thought by "space experts" to be a satellite to provide early warning of enemy missiles.

"We are really back in business now," said Col. Lawrence Gooch, commander of the Eastern Space and Missile Center at Patrick Air Force Base, near Cape Canaveral. "We're going to be very busy around here from now on."

Reagan renews pledge on SDI

President Reagan, even as his summit with Mikhail Gorbachov approached, continued to vow that the United States will see through the development and deployment of Strategic Defense Initiative (SDI) systems—the program to which the Russians remain the most hostile.

In a speech at the Heritage Foundation Nov. 30, the President called SDI "a cornerstone of our security strategy for the 1990s and beyond," and vowed, "We will research it, we will develop it, and when it is ready, we will deploy it."

The statement seems to contradict repeated statements by other administration officials close to the arms control process that delay in deployment, of at least seven years, had already been agreed to with the Russians, as the only way to get a "Russian signature" on the proposed treaty on Intermediate-Range Nuclear Forces (INF) in Europe.

But the President called on the Russians to "stop holding strategic offensive missile reductions hostage to measures that would cripple our research and development of SDI," adding that the Soviets had expended

more than \$200 billion to develop and deploy their own "Red Shield" ABM system.

He described the Soviet radar installation at Krasnoyarsk as "part of an early warning and tracking system" that indicates that the Russians "may be working toward a breakout" from the 1972 ABM Treaty.

AIDS tests for CIA and immigrants

Aliens applying for legal status in the United States under the new immigration law began to be tested for the AIDS virus on Dec. 1. Immigration and Naturalization officials announced the action one day earlier.

Immigrants who test positive for the virus will be denied entry into the United States, except in rare cases in which waivers may be granted.

Seasonal farm workers who are applying for admission under the Special Agricultural Worker Program must also take the AIDS tests.

Another program of AIDS testing in the United States has also begun, according to syndicated columnist Jack Anderson. He reports that the Central Intelligence Agency "has begun routine testing of applicants, employees, and their families to identify carriers of the deadly virus."

In a memo sent out earlier this year warning agents to be careful about sexual contacts, 15 "highest risk" countries were identified by the agency. They were: Haiti, France, Italy, the United Kingdom, West Germany, the Central African Republic, Congo, Ivory Coast, Kenya, Rwanda, Tanzania, Uganda, Zaire, Zambia, and Zimbabwe.

The CIA is testing:

- 1) Applicants for employment.
- 2) Employees and their dependents over age 18 who have physical examinations for official purposes.
- 3) Those recommended by a staff physician; persons who received blood transfusions from 1978 through the spring of 1985, such as hemophiliacs.
- 4) "Selected other individuals."

● **PRESIDENT REAGAN** has decided to approve the sale of stinger missiles to Bahrain despite congressional threats of a legislative ban on the sales, "in an attempt to reassert executive prerogatives," wrote columnists Evans and Novak Dec. 2. "The administration's greater purpose here is to prove the United States . . . can still assist [its friends] with open military aid instead of being forced into covert operations," they quoted a "Reagan policymaker."

● **A CONCERT** of extraordinary nature took place on Dec. 4 in Boston. It was the first American solo recital of Norbert Brainin, principal violinist of the legendary Amadeus Quartet, with Günter Ludwig, a leading German pianist. The concert, which included sonatas by Mozart, Brahms, and Beethoven, was dedicated to Mr. Brainin's good friend, Lyndon H. LaRouche, Jr.

● **KUWAIT** has approved a U.S. request to station a floating base in Kuwaiti waters, the *Washington Post* reported Dec. 2, contradicting the newspaper's own reports of Nov. 29, saying the request had been rejected. The base will house barges, equipped with attack helicopters, fast patrol boats, Army and Navy commando teams, and intelligence units.

● **'UNDECIDED'** is still the biggest vote-getter in New Hampshire at 50%. A random poll of 283 Democratic voters by the *Manchester Union Leader* showed "Undecided" way ahead of Michael Dukakis, who ran second with 28%, and of third-placer Paul Simon, who "surged forward" to 9%. Five months ago, Simon scored only 1%. Lyndon LaRouche was not included in the poll.

● **A BOMB** exploded outside of Lawrence Livermore Laboratories Nov. 28, leaving a two-foot crater in a parking lot and shattering windows at the lab. The FBI is investigating to determine if the blast was in fact directed at the lab, site of important work on the Strategic Defense Initiative and other defense programs.

Editorial

The chickens come home to roost

Should anyone be surprised that the results of President Ronald Reagan's fantasy-ridden policies on relations with the Soviet Union have begun to bring him a blast of scorn from precisely those circles who use to adulate him? Surely, it would be more appropriate to say that the President has reaped what he sowed.

It is no secret to anyone who is actually informed about military-strategic matters that the President's embrace of the Intermediate Nuclear Force Treaty was built on a tissue of lies. The public line was that the Russians had been beaten into finally coming around to the position put forward by the Reagan administration years ago, a victory for the impressive military buildup of the Reagan years. The Europeans were the first to have a chance to destroy this illusion—but the Reagan administration beat them into submission instead. For a period of time, the tissue of lies survived.

But, as the arrival of Gorbachov came closer, it became harder and harder to sell this fairy tale. Day after day, the administration was forced to admit that it was delivering new concessions to the Soviet position. The administration bought the Soviet definition of cruise missiles, to include even non-nuclear missiles. It decided to ignore the fact that the Soviets could revamp their long-range missiles to allow them to replace the SS-20s. The smell of surrender was getting stronger and stronger.

Then came the clincher. While forcing the Europeans to swallow the INF treaty, new Secretary of Defense Frank Carlucci simultaneously announced that the United States was prepared to take massive cuts in defense spending, most probably affecting the U.S. deployment of troops in Europe.

Nor was that all. Claiming that the INF was all settled, the Reagan administration was visibly slavering after what concessions it could make in order to secure the next round of arms reduction agreements. Put together with Carlucci's announcement of cuts, the whole edifice of "peace through strength" collapsed.

It was at this point that the ranks of the Republican Party began to find it "politic" to separate themselves from the discredited administration, and Ronald Reagan himself. This was not a matter of courage or conviction. It was just no longer possible to pretend that a yellow-painted piece of rock was gold ore, or that a document of surrender of Europe was a victory for NATO. The chickens had come home to roost.

But don't expect the process to stop there. If the Reagan administration has sown disaster on the strategic front, it has sown the equivalent of Frankenstein monsters in other crucial areas, namely, the economy and our most important public health crisis, AIDS.

There seems to be no limit to the ability of the Reagan administration to ignore the financial earthquake which has already begun. Statistics of optimism keep being churned out every day—from decreases in unemployment to increases in plant utilization.

But this fantasyland is also about to end. The reality that began to strike on "Black Monday," Oct. 19, cannot be put off forever. Reagan has already begun to find that his friends among the Europeans are less than happy with his tactic of trying to beggar them by dollar devaluations. They have not yet pulled the rug out from the U.S. economy in anger, but if the Reagan administration keeps up its current policy, that day, too, will not be long in coming. The chickens will inevitably come home to roost.

The administration's AIDS policy will also backfire against the President in short order. No matter how consistently the administration tries to pretend that the AIDS crisis can be contained in homosexual social groups, and juggles the statistics to cohere with this pretense, the tissue of lies cannot survive. Reality will assert itself.

As violent as the split in the Republican Party on the INF treaty appears, it is just the beginning of the institutional upheavals that will occur when the rest of the chickens come home to roost.

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