

# EIR

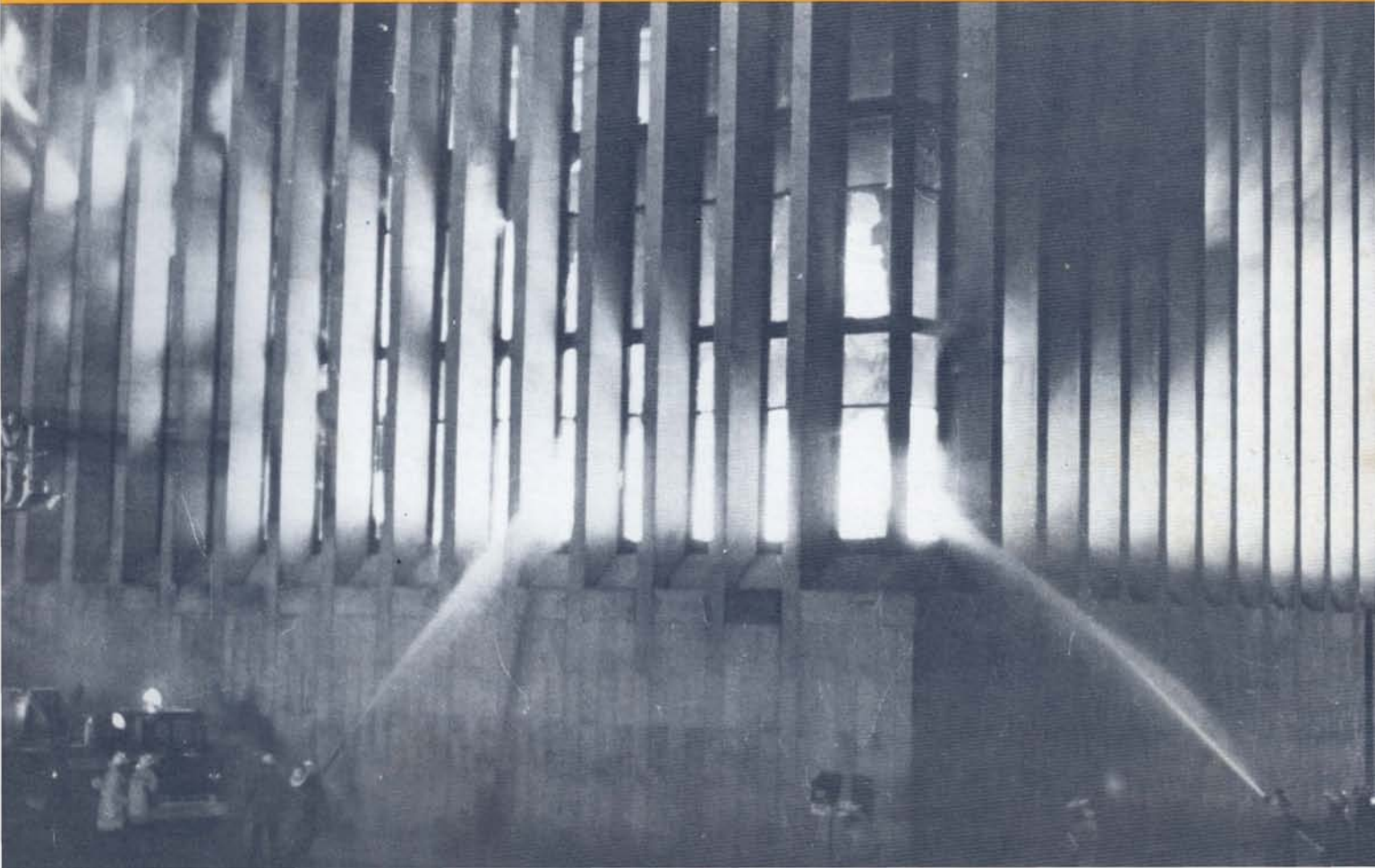
Executive Intelligence Review

February 5, 1988 • Vol. 15 No. 6

\$10.00

Startling revelations prove Demjanjuk frame-up  
Starpower: the quest for fusion energy today  
Renata Tebaldi: High tuning destroys voices

**Drug mafia 'extraditables'  
hold Colombia hostage**



# EIR Special Reports

## THE SCIENCE OF STATECRAFT

*Strategic Studies by Lyndon H. LaRouche, Jr.*

**Operation Juárez.** LaRouche's famous analysis of the Ibero-American "debt bomb"—a program for continental integration. Order #82010\*. \$100.

**A Conceptual Outline of Modern Economic Science.** Order #82016. \$50.

**Religion, Science, and Statecraft: New Directions in Indo-European Philology.** Order #83001. \$100.

**Saudi Arabia in the Year 2023.** The thematic task of the Arab world in the next four decades: conquering the desert. Order #83008. \$100.

**The Implications of Beam-Weapon Technology for the Military Doctrine of Argentina.** Order #83015. Was \$250. Reduced price: \$100.

**The Design of a Leibnizian Academy for Morocco.** Order #83016. Was \$250. Reduced price: \$100.

**Mathematical Physics From the Starting Point of Both Ancient and Modern Economic Science.** Order #83017. Was \$250. Reduced price: \$100.

**The Development of the Indian and Pacific Ocean Basins.** Order #83022. \$100.

## MILITARY AND ECONOMIC SCIENCE

**Beam Weapons: The Science to Prevent Nuclear War.** The year before President Reagan's historic March 23, 1983 speech announcing the Strategic Defense Initiative, this ground-breaking report detailed the feasibility—and necessity—for beam defense. Order #82007. \$250.

**Economic Breakdown and the Threat of Global Pandemics.** Order #85005. \$100.

**An Emergency War Plan to Fight AIDS and Other Pandemics.** Issued February 1986. Order #85020. \$250.

## THE WESTERN OLIGARCHY

**The Trilateral Conspiracy Against the U.S. Constitution: Fact or Fiction?** Foreword by Lyndon LaRouche. Order #85019. \$250.

**Moscow's Secret Weapon: Ariel Sharon and the Israeli Mafia** April 1986. Order #86001. \$250.

**The Libertarian Conspiracy to Destroy America's Schools.** Order #86004. \$250.

**White Paper on the Panama Crisis: Who's Out to Destabilize the U.S. Ally, and Why.** Order #86006. \$100.

**A Classical KGB Disinformation Campaign: Who Killed Olof Palme?** Issued November 1986. Order #86010. \$100.

\***Project Democracy: The 'parallel government' behind the Iran-Contra affair.** Order #87001. \$250.

## THE SOVIET UNION

**Will Moscow Become the Third Rome? How the KGB Controls the Peace Movement.** Includes transcript of the infamous spring 1983 meeting in Minneapolis at which KGB officials gave the marching orders to Walter Mondale's "peace movement": Destroy the Strategic Defense Initiative! Order #83011. \$250.

**How Moscow Plays the Muslim Card in the Middle East.** Order #84003. \$250.

**Global Showdown: The Russian Imperial War Plan for 1988.** The most comprehensive documentation of the Soviet strategic threat available. A 368-page document with maps, tables, graphs, and index. Issued July 1985. Order #85006. \$250.

\***Global Showdown Escalates: The Berlin crisis, the zero option, and beyond.** Order #87003. \$250.

## INTERNATIONAL TERRORISM

**The Jerusalem Temple Mount: A Trigger for Fundamentalist Holy Wars.** Order #83009. \$250.

**Narco-terrorism in Ibero-America.** The dossier that sent the Colombian drug-runners and their high-level protectors through the roof. Order #84001. \$250.

**The Terrorist Threat to the 1984 Los Angeles Olympics.** An analysis of the U.S. terrorist underground—the information the FBI has repeatedly suppressed. Order #84005. Was \$250. Reduced price: \$100.

**Soviet Unconventional Warfare in Ibero-America: The Case of Guatemala.** Issued August 1985. Order #85016. \$150.

**European Terrorism: The Soviets' Pre-war Deployment.** The dual control of terrorism: Europe's oligarchical families and the Russian intelligence services. The case of Germany's Green Party, with profiles of the top families of the international oligarchy. Order #85001. \$150.

**Germany's Green Party and Terrorism.** Issued November 1986. Order #86009. \$250.

## THE MIDDLE EAST AND AFRICA

**Anglo-Soviet Designs on the Arabian Peninsula.** Order #83002. Was \$250. Reduced price: \$100.

**The Military, Economic, and Political Implications of Israel's Lavie Jet Project.** Order #83010. Was \$500. Reduced price: \$250.

**Moscow's Terrorist Satrapy: The Case Study of Qaddafi's Libya.** Order #86002. \$100.

\*NEW

\* First two digits of the order number refer to year of publication.

Order from:

**EIR News Service** P.O. Box 17390, Washington, D.C. 20041-0390.

Please include order number. Postage and handling included in price.

Founder and Contributing Editor:

*Lyndon H. LaRouche, Jr.*

Editor-in-chief: *Criton Zoakos*

Editor: *Nora Hamerman*

Managing Editors: *Vin Berg* and *Susan Welsh*

Contributing Editors: *Uwe Parpart-Henke,*

*Nancy Spannaus, Webster Tarpley,*

*Christopher White, Warren Hamerman,*

*William Wertz, Gerald Rose, Mel Klenetsky,*

*Antony Papert, Allen Salisbury*

Science and Technology: *Carol White*

Special Services: *Richard Freeman*

Book Editor: *Janine Benton*

Advertising Director: *Marsha Freeman*

Circulation Manager: *Joseph Jennings*

INTELLIGENCE DIRECTORS:

Africa: *Douglas DeGroot, Mary Lalevée*

Agriculture: *Marcia Merry*

Asia: *Linda de Hoyos*

Counterintelligence: *Jeffrey Steinberg,*

*Paul Goldstein*

Economics: *David Goldman*

European Economics: *William Engdahl,*

*Laurent Murawiec*

Europe: *Vivian Freyre Zoakos*

Ibero-America: *Robyn Quijano, Dennis Small*

Law: *Edward Spannaus*

Medicine: *John Grauerholz, M.D.*

Middle East: *Thierry Lalevée*

Soviet Union and Eastern Europe:

*Rachel Douglas, Konstantin George*

Special Projects: *Mark Burdman*

United States: *Kathleen Klenetsky*

INTERNATIONAL BUREAUS:

Bangkok: *Pakdee and Sophie Tanapura*

Bogotá: *Javier Almarío*

Bonn: *George Gregory, Rainer Apel*

Chicago: *Paul Greenberg*

Copenhagen: *Poul Rasmussen*

Houston: *Harley Schlander*

Lima: *Sara Madueño*

Los Angeles: *Theodore Andromidas*

Mexico City: *Josefina Menéndez*

Milan: *Marco Fanini*

New Delhi: *Susan Maitra*

Paris: *Christine Bierre*

Rio de Janeiro: *Silvia Palacios*

Rome: *Leonardo Servadio, Stefania Sacchi*

Stockholm: *William Jones*

United Nations: *Douglas DeGroot*

Washington, D.C.: *Nicholas F. Benton*

Wiesbaden: *Philip Golub, Göran Haglund*

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

*European Headquarters:* Executive Intelligence Review Nachrichtenagentur GmbH, Postfach 2308, Dotzheimerstrasse 166, D-6200 Wiesbaden, Federal Republic of Germany  
Tel: (06121) 8840. Executive Directors: Anno Hellenbroich, Michael Liebig

*IN Denmark:* EIR, Rosenvaengets Alle 20, 2100 Copenhagen OE, Tel. (01) 42-15-00

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

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

Copyright © 1987 New Solidarity International Press Service. All rights reserved. Reproduction in whole or in part without permission strictly prohibited. Second-class postage paid at Washington D.C., and at additional mailing offices. 3 months—\$125, 6 months—\$225, 1 year—\$396, Single issue—\$10 Academic library rate: \$245 per year

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

# EIR

## From the Editor

If you turn to the centerfold of this issue, on page 36, you will find a remarkable document, excerpted from a paper written nearly three years ago by Lyndon H. LaRouche, Jr. for an *EIR*-sponsored conference on fighting illegal drugs in Mexico City. The topic is a 15-point program showing how the nations of the Western Hemisphere can join together to wipe out the scourge of the drug traffic; although it hardly seems possible, this program is even more to the point today than when it was first delivered.

This is quite simply because the footsoldiers of Moscow's irregular warfare against the West, encouraged by the brainwashed behavior of the U.S. administration in appeasing Gorbachov, are on a spree.

We have set LaRouche's program, as a beacon of reason, courage, and respect for sovereignty, in the midst of an exclusive report on the horror of how Colombia's sovereignty is being destroyed. The drug mafia's "extraditables" are directly bidding for power in that nation. Our *Feature* represents part of an emergency dossier that has already been distributed to the U.S. Congress and key government offices in Washington, to mobilize them to help stop this Soviet-directed coup. Other portions of that dossier, such as various prominent Colombians' call for emergency action by Colombia's President to stop the "extraditables," have already appeared in *EIR* in recent weeks.

The *Feature* traces the shameful retreats of the Barco government before the drug traffickers; recounts the war on extradition by the Communist-allied narco-terrorists; and documents the complicity of the international banks in this process. It was assembled by Robyn Quijano, Valerie Rush, and Gretchen Small.

Among the many other special items in this issue, I draw your attention to the music section with an interview with the great soprano Renata Tebaldi (page 25); to the startling interview on page 6 that makes a compelling case for universal AIDS screening; and to the profile on page 44 of Lothar Spaeth, whose trip to Moscow in the next days could be a big step forward in the Soviet march toward economic hegemony over Europe.

Next week, look for a delightful surprise from Mr. LaRouche, who has just participated in a historic conference to replace the Bretton Woods monetary system.

*Nora Hamerman*

# EIR Contents

## Interviews

### 6 Dr. Allen Salzberg

The director of medical services at the Veterans Administration Hospital in Miles City, Montana, will present his computer study on the AIDS epidemic in the United States to the staff of the President's Commission on AIDS.

### 25 Renata Tebaldi

The renowned operatic soprano discusses the importance of correct tuning for music and the voice, in a conversation with the Schiller Institute's Liliana Celani and Giuseppe Matteucci.

## Science & Technology

### 18 Starpower: the quest for fusion energy today

The Office of Technology Assessment's "Starpower" detailed the different methods of attaining fusion energy. Part 2 of a series from the OTA's report.

## AIDS Update

### 6 New AIDS study warns of 25 million Americans dead by the year 2008

### 8 Fiscal austerity threatens health holocaust in Britain

### 16 Virginia law would test at 5 years old

### 61 AIDS scare reported in the Soviet Union

### 70 PANIC indictments called 'red herring'

## Departments

### 12 From New Delhi

The economy's "demanding depths."

### 13 Report from Rio

Brazil's export-led recession.

### 15 Report from Paris

Guillaume and his "Marshall Plan."

### 56 Report from Rome

Mafia comeback on Libya-Malta axis?

### 57 Mother Russia

Perestroika and the Muscovite empire.

### 58 Northern Flank

The Soviets rearm on Norway's border.

### 59 Dateline Mexico

The narco-Bolivian model.

### 72 Editorial

The KGB runs the Justice Department.

## Economics

### 4 Bush-league bankers jeopardize U.S. sovereignty

New schemes are afoot to turn the dollar into a piece of toilet paper. None will save the bankrupt monetary system, but the refusal of U.S. financial and political circles to face reality has led to such desperation moves internationally.

### 6 New AIDS study warns of 25 million Americans dead by the year 2008

### 8 Fiscal austerity threatens health holocaust in Britain

### 9 Currency Rates

### 10 Prudential-Bache report links dollar drop to defense cutbacks

### 14 International Credit

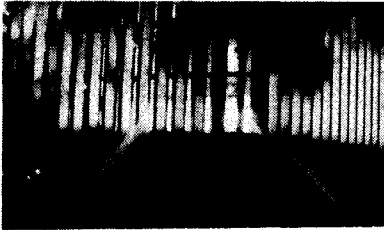
The Russians, and De Benedetti's blitz.

### 16 Business Briefs

## Music

### 25 Tebaldi: High tuning is the cancer of the voice

## Feature



El Espectador

The Colombian Justice Palace in flames, November 1985. That frontal assault by the narco-terrorists against the State sent the justice system reeling, and today the crisis has reached a breaking point.

### 30 Colombia hostage to drug mafia 'extraditables'

In kidnaping a Bogotá mayoral candidate and killing the Attorney General, the cocaine czars known as the "extraditables" have declared total war on the country.

### 32 Barco's tolerance of the narco-takeover of Colombia

A chronology of the step-by-step capitulation of the State to the drug mob.

### 33 The war against extradition

### 36 A 15-point war-plan to stop drug traffic

From the March 13, 1985 message by U.S. presidential candidate Lyndon LaRouche to a Mexico City conference on the illegal drug traffic.

### 39 The narco-terrorist alliance

### 40 The politics of usury: the banks' role in narco-terrorism

## International

### 42 British blast Shevardnadze's 'bullying, insolence' in Bonn

The Soviet foreign minister brazenly stated that France and Britain would "not be allowed" to modernize their nuclear arsenals—and the outraged response is: "We are not colonies yet." But Mrs. Thatcher does not seem to appreciate that the entire arms control process must be derailed.

### 44 A politician groomed to be German chancellor in the INF era

A profile of Baden-Württemberg Governor Lothar Spaeth.

### 47 Soviet military men rise in party apparat

### 48 Demjanjuk frame-up flounders as new evidence of KGB fraud emerges

And once again, it proves that an entire section of the U.S. Justice Department, as well as the Israeli establishment, works for the Soviets.

### 51 New crisis confronts Philippines military

### 52 Atomic waste 'scandal' threatens West German nuclear industry

### 54 Italy weighs amnesty for terrorists

### 60 International Intelligence

## National

### 62 Charges of Soviet cheating dominate INF hearings

Explosive new revelations greeted the opening of the INF treaty hearings, and could lead to Senate rejection of the "New Munich" pact.

**Documentation:** Statements by Sen. Jesse Helms, Sen. Richard Shelby, and former Ambassador Evan Galbraith.

### 65 After INF treaty signing, American establishment grows more isolationist

### 67 LaRouche appears on prime time TV

He's qualified for the ballot in 14 states, and been heard by millions via television broadcast for the first time in four years.

### 68 Elephants and Donkeys

Bradley visits Moscow; candidacy next?

### 69 Eye on Washington

German expert warns of Soviet plans.

### 70 National News

## Bush-league bankers jeopardize U.S. sovereignty

by Chris White

The obsessive refusal of the U.S. financial and political powers that be to face up to the reality of the worst financial crisis in history, is feeding increasingly desperation-driven international efforts to try to come up with ways to insulate against the effects of that collapse.

The latest such proposal was put before the opening session of the annual conference of the European Management Forum in Davos, Switzerland by former Japanese Prime Minister Yasuhiro Nakasone. The European Management Forum's annual get-togethers of the high and mighty, have often turned out to be occasions on which marching orders are put out to the elites. That's how it worked out in the late 1970s, with the "great oil hoax" of 1973-74, and the second, Carter-Khomeini oil shock.

Nakasone's proposals, seen as representing those elements of the Japanese policy consensus which can be given public expression, were motivated by the need to increase cooperation among advanced-sector nations in the aftermath of the Oct. 19 stock market shocks, and the Dec. 7 conclusion of the INF treaty. The London *Financial Times* of Jan. 29 paraphrased Nakasone thus: "The West needed to adopt global approaches to both economic and security problems. If the world economy were to break down, so would world security. The framework for economic policy co-ordination among the G7 industrial nations could be just as important for security as a military alliance."

That, of course, is a thesis that no one in their right mind could ever object to. It is also, given the premise that world economic breakdown is actually a clear and present threat, in sharp contrast to the kind of platitudinous inanity and lying fakery that dominates discussion of such matters in Washington and New York.

On the "what to do" side of the matter, it's a more mixed bag. One set of measures which Nakasone proposed would have the United States establish tax incentives to encourage

savings, as the Japanese do. If that were done on the basis of the revival of the Kennedy-style investment tax credit, as leading economist and Democratic presidential contender Lyndon LaRouche has proposed, it would be quite useful. Another proposal, to standardize taxation policy among the industrialized nations, belongs more in the domain of utopian fantasy.

### 'Reagan bonds' scheme

The most immediate proposal for the current crisis situation was the following, according to the *Financial Times*: "If stock markets crashed again, Japanese and other investors would be more cautious about investing in U.S. financial markets, Nakasone warned. By issuing government bonds in other currencies (potentially of greater interest to foreign investors than dollar bonds), the U.S. could send another signal of its determination to maintain confidence in the dollar."

The proposal made public by Nakasone, had been floated the week before as a leak by the Japanese wire service Jiji.

The leak, designed as a profile of options available to the Bank of Japan and the Japanese finance ministry, put forward two pathways. One, that the Japanese central bank simply recycle its holdings of short-term U.S. Treasury paper into long-term U.S. bonds. This may not be an issue in the first week of February, when the U.S. Treasury markets its quarterly issue of government debt, but it will become such as the year progresses—the more so as the Japanese central bank's foreign reserves increased by \$37 billion last year to total \$81.5 billion. A large portion is in short-term U.S. government debt.

The second route, according to the leakers, is aimed at putting a price tag on future cooperation with U.S. authorities, by insisting that the United States issue its debt as foreign currency bonds. Already known as "Reagan bonds," in mem-

ory of the similar such issues in the late 1970s known as "Carter bonds," it is thought that such an approach would insulate against the dollar's further fall.

That's where the desperation-fed insanities enter the picture. U.S. issuance of foreign-denominated bonds wouldn't help stabilize the dollar and dollar credit system at all. It would signal that the day of the dollar is over, that dollars in international circulation are worth about as much as, or maybe less than, bathroom tissue. Those who want this type of approach admit as much, when they argue, as Nikko Securities did in late January, that since the dollar is going to continue to fall, there is no point in investors moving into long-term dollar paper, only to take further losses.

For the same reasons, foreign central banks have been the mainstays of the marketing of U.S. government debt; private institutions won't touch it.

### **What could be done?**

Nakasone is of course right. There is an intimate relation between economic and military support. But to argue that junking the dollar is the way to pull together the advanced-sector countries, is to ensure that there is neither economic nor military security for anyone. In effect, the adoption of such a proposal would guarantee that the rug is pulled out from under the leading financial institutions of the West, as the direct result of the dissolution of the credit system on which they depend.

Since that credit system is already good and bankrupt, that, under present policies of choice, is going to happen anyway. Why not say so, such that a useful discussion could be had around the question of what type of credit and financial system must be organized to replace the shards of the bankrupt one we now have?

The outline of this, based on gearing up production in a capital-intensive, energy-intensive mode, providing credit, through a gold-reserve standard reorganization of the banking system, has been put forward by LaRouche. The other approaches, as with the package Nakasone put forward in Davos, one way or another start with the assumption that the methods and procedures, if not the fictitious capital gains themselves, which caused and symptomize the current bankruptcy of the financial system, be preserved at all costs.

### **Morgan and Hoover, take two**

There are those in Europe, London, Switzerland, and elsewhere who scoff at the poor American cousins repeating the blunders of Herbert Hoover. That's fair enough as far as it goes, except that those who scoff are themselves repeating the blunders of those who maneuvered Hoover into the mess in the first place—chief among them being the combination of financial interests associated internationally with the House of Morgan. They can kid themselves that they organized the last depression as a "bear trap" and survived. They did nothing of the sort. Their efforts to ensure that their interests were protected from collapse, were what ensured that the collapse

happened as it did. Hoover, like his present unfortunate incarnation, was simply a dumb actor, incapable of changing the lines of the script that had been authored for him.

Then, as now, the name of the game was: Forget about the paper, as paper; control raw materials, industrial capabilities, and politics.

The "Reagan bonds" scheme is a front for something far worse that's been pushed for some years by the central bankers' central bank, the Basel, Switzerland-based Bank for International Settlements. Namely, the return of a 19th-century imperial-style gold exchange settlement system. If the United States agrees to the foreign currency bond schemes afoot, and junks the dollar, what mechanism will be employed to set the parities between the tissue paper dollar and the borrowed foreign currencies, and between the respective currencies of the lenders? Only gold is available for that purpose.

Not accidentally, then, it is the House of Morgan and its associates which are in the middle of negotiating gold and raw materials access agreements with the Russians in southern Africa, Brazil, and other places. One of the tip-offs as to those negotiations is the current fight to take over the Belgian mineral giant Société Générale.

The whole package is guaranteed to fail. The problem is, that it's the looney-tunes played by the powers that be within the United States, that gives the latitude for such nonsense to be put on the table at all.

Treasury Secretary James Baker and company, the friends of George Bush in the banking community, still insist that the Japanese simply trade in holdings of dollars accumulated in the last rounds of currency warfare against new issues of U.S. debt, and let the depreciation of the dollar wipe out their earnings. They insist that newly "revitalized" U.S. manufacturing industry is on the eve of an export boom which will earn the hard currencies which will enable the United States to pay its way in the world. Presumably, in this view, the growth of inventories reflected in the last quarter's GNP figures, twice the growth of GNP as a whole if Commodity Credit Corporation purchases are added in, is simply U.S. production lined up waiting for foreign purchasers to come and buy it.

The outlook is captured by the joke going the rounds about the Executive Branch's draft report on the economy in 1987. They don't want to call the chapter on the events of October, "Black Monday" or the "October Crash," because of "the Hooveresque tone," so it's being referred to as the "Great Correction."

Maybe they can swing their package past the foreign creditors one more time, during the quarterly bond sale in the first week of February; that will only be because the foreign creditors are more scared of a further collapse of the dollar than they are of a revival of inflation within the United States. Either way, their obsessive lunacy is making things worse, even while it looks like stability might be returning—to those who don't look too far.

# New AIDS study warns of 25 million Americans dead by the year 2008

*Dr. Salzberg, director of medical services at the Veterans Administration Hospital in Miles City, Montana, has conducted a computer study on the AIDS epidemic in the United States. Summarized in the Dec. 18, 1987 issue of the Journal of the American Medical Association, the study predicts an economic, social, and medical catastrophe unless the U.S. adopts mandatory testing and other public health measures. Dr. Salzberg will soon present his findings to the staff of the President's Commission on AIDS. He gave this exclusive interview to EIR's Kathleen Klenetsky Jan. 16.*

**EIR:** What have you found so far in your study?

**Salzberg:** Our numbers at the present time show approximately 64,000 cases at the end of 1987 and about 1.1 million carriers. By the end of 1990, we're estimating from 410,000-490,000 cases, with 5 million carriers.

**EIR:** Your initial projections showed that by 2005, twenty-five million Americans would be sick or dead, and another 40 million would be infected. . . .

**Salzberg:** The more recent model has made that look a little better, although it's still terrible. Our estimates now for 2005 are between 10 and 12.3 million dead or sick, and another 35 million carriers. If you went out to 2008, you would be back to the figures we had originally projected for 2005. . . . The most frightening thing we're finding is that AIDS will sneak into the heterosexual population, slowly but very inexorably. AIDS has to move into the heterosexual population, because there are only so many high-risk people. After they're all saturated, who's going to be next? The virus isn't going to go away.

**EIR:** How has the CDC responded to your projections?

**Salzberg:** They say that, although the data are accurate enough at the present time, they don't feel that these numbers [for later years] will be found. Which I think is absolutely meaningless.

**EIR:** Is the CDC underestimating the crisis?

**Salzberg:** I think they're pretty good in the near term, as far as their methodology. Unfortunately, they're locked into a methodology which doesn't want to look out far enough, and they've done this voluntarily. . . . People don't want to look out past 1991, because it's too scary.

**EIR:** Your initial study estimated that the epidemic would cost the U.S. \$8.2 trillion by 2005.

**Salzberg:** Yes, that figure included losses due to premature death. Because of the time-shift in the model projections, that figure won't occur until 2008. We estimate direct costs of \$29 billion cumulatively by the end of 1991. By 1995, costs will have risen to \$150 billion. And by 2005, to over \$1 trillion. If you included the costs of premature deaths, you could just about triple those numbers.

**EIR:** Does your study assume that AIDS is transmitted only through IV drug use, sexual contact, blood products?

**Salzberg:** Yes. And although it might be transmitted in other ways, the rate of transmission would be far lower than the normal rates. There is some worry about transmission by insects. I'm not going to say there's a zero chance of that, because nobody can say that. . . .

**EIR:** Recent studies at Los Alamos show that the AIDS virus mutates far more rapidly than any other virus. Does this suggest it will become more virulent, or adopt other means of transmission?

**Salzberg:** You can't really speculate. . . . The basic virus was probably around for a very long time, and then mutated somewhere in the 1960s. What I'm much more worried about, is if it became a little bit more virulent, and, instead of having two-tenths of a percent of probability of infection per intercourse, it jumped to 2%, in which case it would spread a heck of a lot faster.

**EIR:** Your projections are based on what would happen if the U.S. fails to adopt public health measures, including mandatory testing. How would it help if we did?

**Salzberg:** The main problem is that we don't really know what's going on in the country, because we don't have the kind of testing program that would allow us to know this. The disease can be stopped. The cost of a testing program would be, in the first yearly cycle, a little over \$1 billion. The Army now has got false positives down to 1 in 100,000. And there's a new test coming out, the immuno-fluorescent antibody test, which will get it down by another factor of 10 to 100.

Another important reason for testing is that the drugs coming out—AZT and much safer ones—might significant-



ly slow down the progression from infection to disease. If you knew you were infected, you could take advantage of the drugs much more quickly. This would also lower the rate of infection, because the drugs decrease the number of viral particles shed. . . .

Of course, if you just did testing, you'd have to rely on how people's behavior changed. Some studies show that a lot of people would change their behavior. . . . But there will be a minority who will probably not change. Society will have to deal with these people, as they are found to be acting in a manner contrary to human life, in an according manner. You wouldn't allow a person to shoot a gun in a crowded schoolyard. . . .

**EIR:** What would you recommend?

**Salzberg:** There are various possibilities. I'll give you an example that's happening right now. There's a soldier up for court-martial, and it looks like he's going to be convicted for having sex after he knew he had the virus. You see, once you've been tested, you cannot plead ignorance anymore. We have laws on the books: it's called reckless endangerment. People who do this should go to jail. . . . I think our biggest problem might end up coming from the addicts.

**EIR:** What do we do about that?

**Salzberg:** I don't think you have to draw pictures. . . . It would cost money to take somebody off the street, if you had to, if somebody kept on shooting up and infecting other people. But crime rates might drop coincidentally.

**EIR:** How about giving clean needles to addicts?

**Salzberg:** We need to come down on the pushers. They are killing people. I've treated too many of their victims in emergency rooms. The real question is, how many addicts would use clean needles? They just don't act rationally. They have no concept of latent disease. This is the population that I think is the most risky. Because they're mostly heterosexuals, they could pump the virus into the heterosexual community at a faster rate. . . .

**EIR:** Are there other reasons we should have universal mandatory testing?

**Salzberg:** One, you would know what's going on. So if anything does change with the disease, you would know. If things are getting better, you could relax things. If things are getting worse, you'd know what to do. If you did get a mutation, you'd pick it up real fast. Second, you would target education on the people who test positive. Also, you could then have contact tracing, and you'd also be able to inform spouses, if their partners tested positive. If someone with AIDS were behaving irresponsibly, you would have the evidence that they already knew they were infected, and you could do something about it.

**EIR:** What do you say to those who claim that testing or

contact tracing is a civil rights violation?

**Salzberg:** So is death! In fact, the populations at risk whom [civil libertarians] say testing would discriminate against, are, unfortunately, now more black and Hispanic. If you don't stop the spread of AIDS, these groups will be saturated by the mid-1990s. They'll die. I can't see anything worse than that.

**EIR:** So the ACLU and other groups who oppose testing, are killing the people they're claiming to protect.

**Salzberg:** Yes. I'd say that very strongly. Also, you've got to realize we have tested in the past. This is not a new concept in the United States. We tested for syphilis at one time, and in the days before we had penicillin, we darn well did contact tracing. We had no cure. You had to go after the carriers. And we did control the epidemic to a large extent that way. TB was another thing we worked on very hard. We had sanatoriums.

**EIR:** How about quarantine for certain AIDS carriers?

**Salzberg:** Only if they act irresponsibly. It should be a last resort for people who have been proven to have acted, knowingly, to spread the disease. . . .

**EIR:** Is there a danger that if the U.S. continues on its present course, people will suddenly realize in a few years how bad things have become, and react the way people did during the Black Death: murdering AIDS carriers, or exiling them where they'll get no treatment?

**Salzberg:** I'm afraid of that. Either we act rationally now, or we're going to act irrationally later. I don't know about no medical treatment, but I can see things worse than that. If AIDS does get concentrated temporarily in the lower socioeconomic classes, we might lose 30 years of civil rights, which I've worked personally very hard for since the fifties. I'd hate to see that go down the drain. . . .

**EIR:** There's a school of thought which maintains we can't afford to spend money to treat people with AIDS, and why bother anyway, since they're all going to die.

**Salzberg:** You can't think like that. Remember, half of the people with AIDS will live over 17 years.

**EIR:** Is acceptance of testing growing?

**Salzberg:** Yes, more and more people are grudgingly accepting it. My AIDS study started in a very funny manner. My son is 23, he is in graduate school; he co-authored one of my papers on this. We were just shooting the breeze about AIDS, and I said to him, "I think we're going to have to start testing people." And he said: "Dad, you're being a fascist pig." So rather than screaming at him, I said, "Hey look. Let's just do a simple model. Write down the epidemiological equations, and program them." He went down to the computer and worked for a few hours, and then came back to me and said: "My God. It's worse than I thought."

# Fiscal austerity threatens health holocaust in Britain

by Mark Burdman

A new report on the cost of AIDS care, issued by Britain's Office of Health Economics, a London think tank funded by Britain's pharmaceutical industry, makes a mockery of the British Treasury and Whitehall Establishment's pious insistence on limiting government spending on health care in the name of fiscal conservatism and austerity.

The report, entitled, "HIV and AIDS in the United Kingdom," asserts, "AIDS could have very serious resource implications for a health service that is already experiencing severe financial pressure." Author Nicholas Wells, associate director of the OHE, estimates that 3,000 people in Britain will be diagnosed as suffering from AIDS during 1988, and that it will cost £81 million to provide care for them during this year alone. According to Wells, this is the cost-equivalent of treating 120,000 non-AIDS patients suffering from acute disease.

While the report's intention was to present the alarming facts, not to draw policy implications, what it all means is that the British government either launches an all-out campaign to deal with AIDS, ditching the past decades' Malthusian "post-industrial" orientation of British policy, or that it acquiesces in a policy of Nazi euthanasia for AIDS victims.

## Demented policy

The report's impact was multiplied considerably by the fact that it was released simultaneously with the beginning of the first Global AIDS Summit, in London on Jan. 26. Co-sponsored by the British Health Ministry and the World Health Organization, the summit brought together health ministers and health ministry officials from approximately 140 countries.

The summit might well have recommended AIDS tests for government treasury and health officials. AIDS, even without other symptoms, is known to cause dementia. Whitehall's policy toward health spending and treatment of AIDS is certainly demented.

On Jan. 22, British Social Services Secretary John Moore announced that his department has ruled out public health measures in response to AIDS. He said that mass screening

for AIDS on a compulsory or even voluntary basis would be opposed, especially as compulsory testing of the whole population "would have such profound ethical and legal consequences as to rule it out as an acceptable way of gaining information about the spread of the disease." Also ruled out, was giving employers powers to insist on AIDS testing for current or potential employees. The Social Services department has also concluded that there is no reason to declare AIDS a notifiable or reportable disease.

"Ethical-legal consequences" are not the driving force behind such decisions. The British Treasury, operating under the policy guideline that "one must not live beyond one's means," does not want to spend the money, and is more obsessed with gimmicks like "privatizing" Britain's National Health Service than in fight disease. This policy approach is a dismal retreat from the emerging London consensus of late 1986, which held that AIDS had to be fought with the commitment usually reserved for fighting wars. What Moore et al. are doing today, is the equivalent of selling off your army to "private interests" in order to save money to wage a war.

## Major cuts and Moore austerity

The "no public health measures" policy toward AIDS, caps a recent campaign by the British Treasury, against increased funding for Britain's beleaguered National Health Service.

In the face of political pressure inside Britain for increased NHS funding, Moore announced before Parliament on Jan. 19, that there would be no promise of additional government funding. "Unless we see the most efficient use of valuable resources," he said, "it is absolutely no good putting more resources into health care."

The next day, Treasury Chief Secretary John Major announced the government's annual public spending White Paper for 1988-89, and said the public outcry for more funds for the NHS would not curb the government's ambition to cut taxes while restraining public spending. "We have just completed a public spending round, and I do not intend to reopen it," he declared. "I do not think it would be at all good

for financial discipline in public expenditure if, every time there was an undershoot [sic], we rushed out to spend it. . . . I hope that no one is in any doubt about our commitment to continuing this process. We have got the economy on the right track, and we are not going to relax on public spending now.”

He had earlier met with Chancellor of the Exchequer Nigel Lawson to reach this decision.

Many British commentators have pointed out that Major’s position is ideologically motivated, since the increased revenues from tax cuts, could be used, in part, to increase NHS spending. Fiscal conservatism is indeed a cult with no rational content.

Because of the “no spending increase for health” attitude, the potential has arisen for a backlash against the Thatcher government. While the NHS admittedly has incorporated considerable bureaucratic waste and inefficiency under years of stewardship by the Fabian-socialist welfare-state regimes of the Labour Party, the NHS’s creation 40 years ago provided an implicit guarantee of health care for the entire population. The government’s callousness could cause an unusually profound reaction in Britain’s usually passive population.

### Not a sausage machine

Leading the campaign against the prevailing health policy, have been three among the most prominent figures in British medicine, Sir Raymond Hoffenberg, president of the Royal College of Physicians, George Pinker, president of the Royal College of Obstetricians, and Ian Todd, president of the Royal College of Surgeons. Since late 1987, they have taken an unusually strong public stance against the fiscal-austerity mentality toward health care.

After Major’s Jan. 20 statement, Sir Raymond denounced the government’s policy as “Elastoplast”—sticking individual plasters over sores as they erupted on the body of the NHS, until the whole body was a mass of sores and plasters. He charged that this was no way to run the system, as it demoralized all those working within it.

Pinker, referring to an earlier government announcement of a small increase in the NHS budget, compared this to “taking a dead man from the ground and telling him he would be going under again on March 31.”

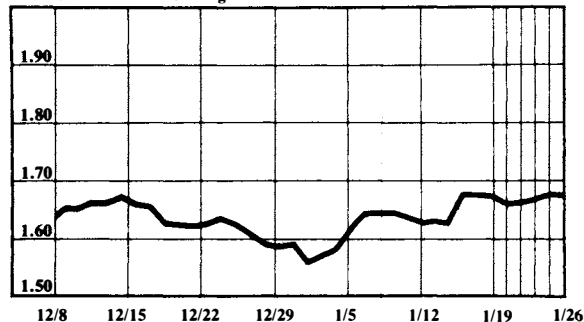
Todd, meanwhile, invited members of Parliament and government ministers to examine the state of hospitals themselves, instead of churning out statistics. Stressing that running hospitals was not like running sausage machines, Todd stated: “It would be a very good thing if some of you went to hospitals to see what the problems are, because I don’t believe some of you have any idea.”

The three medical presidents expressed their bitterness, that Moore had effectively reneged on agreements, reached earlier in private discussions, for adequate funding and review of the NHS situation. Sir Raymond called the most recent statements of Moore, Major et al., “disconcerting news that causes us considerable dismay.”

## Currency Rates

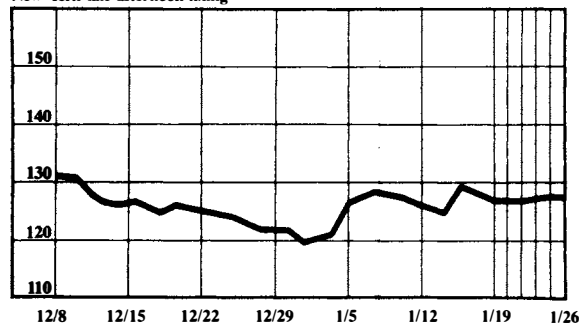
### The dollar in deutschemarks

New York late afternoon fixing



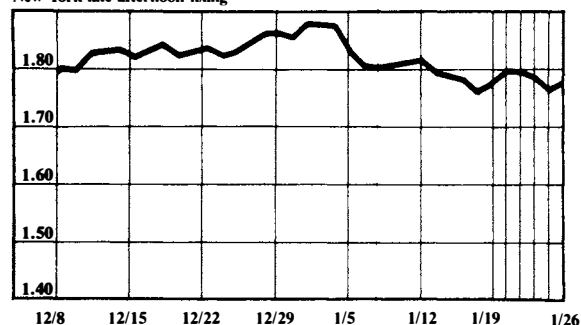
### The dollar in yen

New York late afternoon fixing



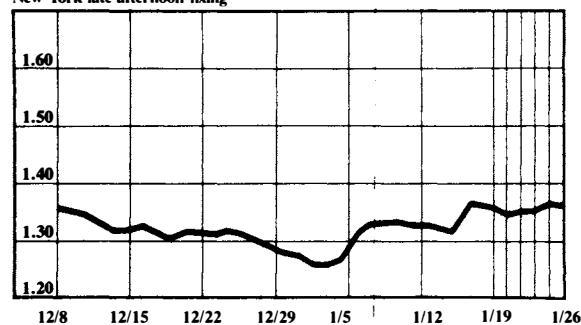
### The British pound in dollars

New York late afternoon fixing



### The dollar in Swiss francs

New York late afternoon fixing



# Prudential-Bache report links dollar drop to defense cutbacks

by Kathleen Klenetsky

The December 1987 issue of Prudential-Bache Securities' *Aerospace/Defense World Review* contains some observations not often found these days among the austerity-minded Wall Street set. Where most of their colleagues insist that slashing the defense budget, along with domestic spending cuts, represents the only road to fiscal health, Pru-Bache's analysts take a very different tack, arguing persuasively that defense spending is essential to American economic well-being.

Authored by Paul Nisbet, Byron Callan, and Miles Saliel, the study draws a direct link between the collapse of the U.S. dollar, and recent deep cutbacks in the Pentagon budget, and extends this linkage back more than 20 years. "We believe," they write, "that the international perception of the dollar is strongest when the United States is most concerned about its national security, as in the early Reagan years. We believe it is felt that wealth can be more safely preserved in the currency of a country that displays the will to be militarily strong." The report also warns that the INF Treaty could have a "negative impact" on Western Europe, leading potentially to the dissolution of NATO.

We quote from relevant sections of the report, which contains a graph which charts the dollar/defense-spending correlation.

"Former Defense Secretary Caspar Weinberger, who led the greatest peacetime military buildup in U.S. history, has left the Pentagon. . . . Weinberger believed that national security was the first priority of the federal government and not something to be compromised. We contend that if he believed otherwise and instead played the bureaucratic political games so dear to the hearts of Congress, the vital defense buildup . . . would never have taken place. In Frank Carlucci, Caspar Weinberger's replacement, we have the consummate bureaucrat. Perhaps this is what is needed for the times ahead; we have our doubts. . . .

"The dollar has taken a bad beating in recent weeks. We suggest a high correlation between the relative value of the dollar and the [downward] trend in defense spending. Intuitively, it seems there should be little, if any, relationship between the two. Indeed, some might argue that the dollar

should become weaker when larger sums of money are being spent nonproductively on defense.

"Exhibit 1, however, suggests the contrary. We believe that the international perception of the dollar is strongest when the U.S. is most concerned about its national security, as in the early Reagan years. We can be more safely preserved in the currency of a country that displays the will to be militarily strong. Now, when the U.S. is pursuing arms reduction agreements, the Congress is pursuing aggressive defense cuts, and the new Secretary of Defense is hinting at shrinking the size of the U.S. military forces, the international view is of a militarily weakening U.S. Consequently, it could be suggested, the dollar is being viewed as a riskier currency in which to put one's trust. Conversely, one could conclude that the outlook for a still weaker dollar is based, at least in part, on prospects for a still weaker U.S. national security. Many have related the market crash to the declining dollar. Could it be that Caspar Weinberger was serious when, on the October 20 Today show, he contended that the stock market crashed because of fears that his budget was not high enough?"

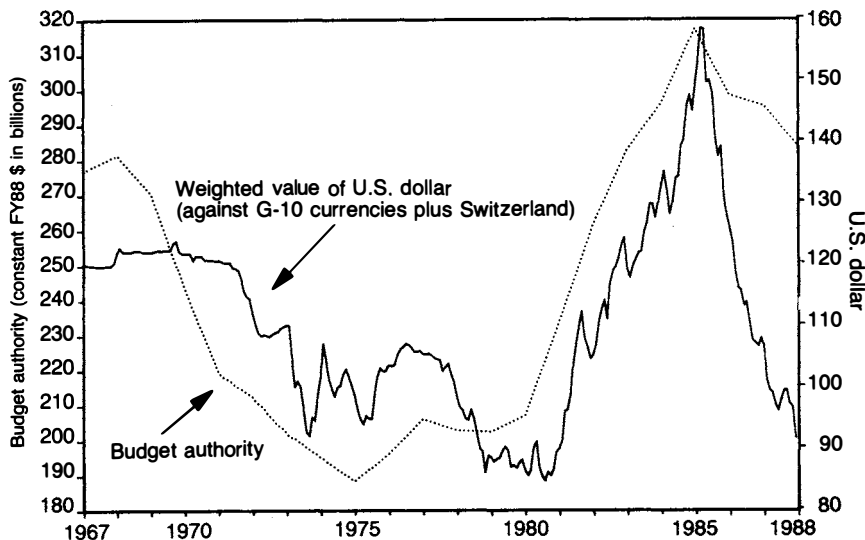
## INF the beginning of the end of NATO?

After warning of the effects of defense-spending cuts upon the dollar's strength, the Pru-Bache study took a skeptical look at the INF Treaty, taking note of the strong objections raised by many European leaders, as well as prominent Americans, notably former NATO Supreme Allied Commander Gen. Bernard Rogers. Coupled with Congress's shift into isolationism, the agreement could mean the "beginning of the unraveling of NATO":

"We see an outside chance that the scrutiny given to the treaty by the U.S. Senate, absent a rapid change of heart by the administration, could cause support for the agreement to atrophy. But we doubt this will happen, given pressure that is now on in the West to follow the treaty provisions in any case.

"With expectations, however, that an agreement will be ratified, we fear that its impact on the NATO organization could be negative. We believe it will take strong leadership

## U.S. DoD budget authority vs. weighted value of U.S. dollar



Source: Federal Reserve, Prudential-Bache Securities, Inc.

toward an improved joint-European defense to maintain the current cohesiveness of the NATO alliance. Without this, the outlook for spending by the European nations could deteriorate.

"It also appears that the U.S. Congress may be becoming more isolationist in its quest for means of reducing defense spending. . . .

"The proposed arms agreement has lowered some tensions in Europe and raised others. The trend, however, appears to be toward lesser tensions and lower defense spending—the first step toward uncoupling. . . .

"It appears that if the rate of European defense funding does turn for the worse, U.S. congressional defense leaders, led by such stalwarts as Sen. Sam Nunn, will only intensify their efforts to cut off U.S. NATO funding in response to what they have been viewing all along as inadequate support from the other NATO countries. *Given reduced nuclear forces, the only alternative to heavier defense spending by the European NATO nations will be to seek political and economic concessions from the Warsaw Pact countries*" (emphasis in original).

### What's wrong with the treaty

In discussing the dangerous ramifications of the INF agreement for Western security, the Pru-Bache analysis also reports on some of the opposition to the treaty that has been voiced by Western European and U.S. strategists, including and the United States, focusing on the attacks leveled by U.S. General Bernard Rogers, who retired in June as Supreme Allied Commander in Europe. Noting that Rogers

"holds a position similar to. . . French and U.K. leaders," the study reports that he "believes that Europeans feel that the U.S.A. considers arms reduction as an end in itself. He points out that without intermediate- and short-range tactical nuclear missiles, NATO has only its 20-year-old F-111s under its command as a nuclear deterrent capable of hitting Soviet targets, just as in the 1970s, when the NATO alliance showed signs of unraveling. The Pershing IIs, against which there is no current defense, can reach Soviet targets with uncanny accuracy in 13 minutes—a strong NATO deterrent. The F-111s, to the extent they remain capable of penetrating Soviet defenses, would take hours. All other such nuclear weapons are controlled by individual nations, principally the U.S., whose interests could conceivably at times differ from NATO's.

"General Rogers believes that NATO joint control of nuclear deterrent weapons tends to bind the NATO nations together, and that with a significantly-reduced joint-responsibility deterrent force, Europeans will have increasing doubts about assurances of cover under the U.S. nuclear umbrella. He also feels that the INF agreement is but the first step in a Soviet move to denuclearize NATO and further weaken the bond between Europe and the U.S. . . .

"General Rogers feels that if the U.S. does lessen its support for Europe, a distinct possibility with Congress's current strong anti-defense stance, Europe will refuse to pick up the slack. Thanks to Congress, the U.S. is no longer leading by example in honoring a joint pledge from the Carter years that NATO countries maintain a 3% real growth rate in defense spending."

## **The economy's 'demanding depths'**

*Nehru's vision has not been fulfilled, but hope is fueled anew of reform to make the public sector profitable.*

Since at least September 1984, when the late Mrs. Indira Gandhi set up a special committee under economist Arjun Sengupta, with an urgent mandate to "analyze the performance of the public enterprises . . . and suggest measures to improve their functioning," a debate over the public sector has become public and, increasingly, brutally frank.

One who has taken the point from the outset on this vital issue is Energy Minister Vasant Sathe, who charged in a recent speech in Hyderabad that instead of operating at the "commanding heights" of the economy—as envisioned by Jawaharlal Nehru—the public sector was "at the demanding depths" of the economy, bankrupt and seeking financial bailouts. "We must make the public sector more efficient, result-oriented, and accountable," Sathe stated.

Sathe has ample proof of his charges in the Energy Ministry. Coal India, with 600,000 employees, produces about 145 million tons of coal per year, what 30,000 workers produce in Australia. The story is the same for steel: 120,000 produce about 6 million tons of steel; in South Korea, just over one-tenth of that workforce (14,000) produce 30% more steel (9 million tons).

In both cases, obsolete technology is compounded by incompetent employment policies. As a result, capital-intensive industries have become labor-intensive, and disastrously uneconomical. The biggest public sector unit, the Heavy Engineering Corporation (HEC), with 20,000 employees, has not made a profit since it was

established in the 1960s.

This failure in the "core industries" plays the decisive role in undermining the development process overall by driving up the cost of economic infrastructure—power, credit, and industrial raw materials. As Sathe recalled, Nehru expected India to produce 80 million tons of steel annually by 1985. Instead, "we are stuck at 12 million tons, at the highest cost in the world," more than \$600 per ton.

Delays and cost overruns on establishment of new capacity in the power, steel, and core sectors of the public enterprises is now estimated to imply cost escalations of 44%, 174%, and 51%, respectively.

Although the debate has ebbed and flowed in the last two years, the issue is now becoming more pressing. Economic growth is projected to drop from a healthy 5% to about 1.5% for 1987-88. Inflation is expected to head into the double-digit range.

According to leaks on the forthcoming mid-term appraisal of the Seventh Plan (1985-90), there is already nearly a 10% shortfall in planned capital investment. While soaring non-Plan expenditure is cited as the main culprit, the relentless loss-making of the public sector stands out like a sore thumb. Public sector undertakings are slated to provide some 33% of total public investment for the Seventh Plan, but have so far contributed no more than 20%.

New hope was kindled that the problem would be tackled when Prime Minister Rajiv Gandhi told a Madras audience that India "cannot afford" socialism. "We concentrated on the

public sector to usher in socialism," he said. "Instead of generating resources, the public sector has been eating up the wealth of the nation." Gandhi's remarks followed an extraordinary cabinet "think" session where new approaches to the country's development dilemma were a prominent agenda item.

Though some steps are being taken, there is as yet no clear indication of the "sweeping changes" periodically predicted for the past year in the national media. The system of Memorandums of Understanding (MOUs), one of the Sengupta recommendations, is exemplary. MOUs, so far signed by only six companies, would establish broad performance criteria while conferring greater autonomy on the enterprises' management. Other reforms are under way in the area of personnel recruitment and, perhaps more spectacularly, financing. Public sector units are being encouraged to float bond issues to raise funds. This is intended to also affect their accountability.

In addition, a Non-Resident Indian consultancy organization is reportedly being established to provide the six major public sector units with specialized management and technological services for improving performance.

Meanwhile, the White Paper on the Public Sector, expected from a committee set up by the prime minister a year ago under the direction of the chairman of Steel Authority of India, Ltd., V. Krishnamurthy, has not yet seen the light of day. A recent press report said it was delayed because "the entire concept" of the role and functioning of the public sector needs to be redefined. More likely, the government is reluctant to provide a fixed target for the guardians of this sacred cow.

## Brazil's export-led recession

*Social democrats and monetarists steer Brazil towards a brutal recession, under IMF control.*

**D**uring January, a weak President José Sarney handed Brazil's economic management to new finance and planning ministers, both bureaucratic mediocrities expected to, once again, prove obedient to the International Monetary Fund (IMF): Finance Minister Maílson da Nóbrega and Planning Minister João Batista de Abreu.

From 1982 to 1985, the pair helped then-Planning Minister Delfim Netto impose disastrous IMF-dictated policies. Delfim and Citibank director Mario Simonsen manipulated Sarney's chief adviser, Jorge Murad, to get their stooges appointed. The two heavies who ran up more than two-thirds of Brazil's \$112 billion debt have come back to run Brazil's bankruptcy liquidation by its creditors.

The creditors, however, are stalling renegotiating Brazil's debt until they are sure Brazil's capitulation is irreversible. They are pressuring the Constituent Assembly to ensure the new constitution does not protect the country from looting. In mid-January, the banks ordered Brazil to make on time payments of the \$12 billion in interest due this year. The money would come from cutting imports and raising exports to earn a \$13-17 billion trade surplus. Brazil eked out a \$11.2 billion surplus in 1987 with lots of austerity and a record harvest.

The powerful private sector lobbies, such as the São Paulo State Federation of Industries, are committing suicide by pushing the IMF's prescription for an internal recession. Brazil's 30 biggest export producers

met in Rio Jan. 21 to demand a 20% devaluation and conciliation with the free-trade mafia in the Reagan administration, in order to keep the doors of the U.S. import market open. Brazil is phasing out protection of nascent industries like computers. Tariff cuts like those which wiped out whole industrial sectors in Chile and Argentina are planned.

Why have Brazil's "pragmatic" industrialists snapped into an "export and die" mode? Part of the answer lies in the crisis itself. Brazil's capital goods industry, for example, was built, behind protectionist walls, in the late 1970s, when Brazil was growing 7% a year and reinvesting an average of 22% of its product. When Delfim Netto put Brazil under IMF control in January 1983, all new great projects were banned. Since 1982, not a single big generator has been ordered. The investment rate fell to 16%. A recovery organized in 1986 by Finance Minister Dilson Funaro raised that rate to 17.7%, but it has dived since he was fired last April and is far below 16%. Thus, the capital goods sector is working at under half of capacity, with increasing portions of its output sold at bargain prices on depressed world markets.

A group of Funaro co-thinkers at the National Confederation of Industries reviewed the tragedy of the major Ibero-American debtors after they fell under IMF control: "Starting with the 1982 financial crisis, interest and profit remittances became larger than capital inflows, which meant an average

outflow of \$27 billion per year, 25% of their exports."

Maílson da Nóbrega claims the only solution is to follow IMF austerity dictates. "Without an agreement with the Fund which makes viable an adequate inflow of funds at compatible rates, Brazil would go into a recession," he asserted Jan. 24. He means Brazil must bring in capital by selling its industry and real estate to foreign speculators, while it decapitalizes itself by cheap exports and cheats on its future by starving its people and its productive sectors.

The monetarists would not have been able to regain executive power without the help of social democratic agents in the majority Brazilian Democratic Movement Party (PMDB). This clique is led by Club of Rome member Hélio Jaguaribe and includes former finance minister Carlos Bresser Pereira, ambassador Rúbens "Rasputin" Ricupero, presidential hopeful Andrés Franco Montoro and sociologist Fernando Henrique Cardoso. They insured that there was no popular mobilization in support of Funaro's Feb. 20, 1987 debt moratorium. Six weeks later, they did the State Department's bidding in encouraging three powerful governors to call for axing Funaro.

Shortly after the moratorium, Cardoso, the PMDB's official liaison with the Socialist International, met IMF president Michael Camdessus and swore "the IMF has changed." That is exactly the excuse Finance Minister da Nóbrega is now using for surrender to the IMF.

After having weakened and split the PMDB by their sabotage of the moratorium, the social democrats are trying to remake, in their own image, the vestige of the party which won 80% of the votes during Funaro's period. As in Portugal and Spain, such genocidal "democrats" are just what the bankers ordered.

## The Russians, and De Benedetti's blitz

*The Olivetti chairman's ploy to buy up Société Générale de Belgique has strategic implications that few understand.*

**T**he new coup which financier Carlo De Benedetti is carrying out, with his attempt to buy up control of Société Générale de Belgique (SGB), has set international finance into uproar, and with good reason, even if few grasp the strategic implications of the move.

First, SGB is not a company but an empire, born even before Belgium was a nation, a colossus which controls 1,261 firms in 67 countries, in sectors which range from mineral to military to high technology. To control SGB means to penetrate right into the heart of a financial-industrial empire which has played a key role in European and world history for over a century and is at the crossroads of modern economic colonialism. That implies a bloody battle ahead over the De Benedetti bid.

The Olivetti chairman hit his first target, acquiring, with backing from the French bank Dumenil Leblé, 18.6% of SGB; then he launched a public offer of the remaining stocks, with the aim of getting 30-35% of the capital and becoming the *primus inter pares* of the stockholders.

The reaction of the old controlling group was to immediately increase capitalization, so as to deluge and belittle De Benedetti's 18.6%. As we write, the Belgian courts have not yet made a final ruling on De Benedetti's public offer or the countermove by the old controlling group, but it seems unlikely that the advances of the De Benedetti group and the international forces behind him can be stopped. To grasp the scale of this clash, though, we have to take a look at both the

engineer from Ivrea and at the Société Générale de Belgique.

To the public, De Benedetti tells the fable that in 1992 the European markets will be unified, and that he wants to get there first with the "first truly European holding company." Actually, there is one specific sector in the myriad of SGB's holdings, which interests De Benedetti and his pals; to a journalist's question, he admitted that "mining activities and particularly rare metals are strategically interesting, as well as the energy sector." Whatever engineer De Benedetti's motives, we have reason to think that he was telling the truth.

SGB means above all Union Minière, one of the largest international mining companies. Founded by King Leopold II in 1906, it soon became synonymous with the most brazen colonialism and sacking of the African continent, particularly the Belgian Congo and its Katanga province. Today called Shaba, this province is still the richest reserve of strategic minerals—uranium, cadmium, tungsten. Although the nominal owner of the deposits is Zaire (ex-Belgian Congo), it is still Union Minière which collaborates in the management of the companies, to market the ores and get financing.

When, after 1960, the Congo won independence, Union Minière set up a puppet state in Katanga province headed by Moïse Tshombe, who started a war against the Patrice Lumumba government. Fanning the flames were the big U.S. and Swedish mining companies who tried to exploit the chaos to expel the Belgians. The

brother of then-U.N. Secretary General Dag Hammarskjöld (who died in a suspicious air accident right after visiting Katanga) was a trustee of one of these firms, while the Swede, Sture Liner, U.N. commissioner for Congo operations, was actively engaged in protecting the interests of Swedish steel concerns.

From that period on, the Soviet Union has worked to lay its hands on the strategic minerals. Twice, the Russians organized separatist movements in Shaba (ex-Katanga) province, trying to set up an independent state. Only French paratroops stopped the coup. Today, Moscow is running a shrewder, long-term game, aiming to destabilize South Africa (also a trove of strategic minerals) and to use its strong military presence in Angola, bordering Shaba, to squeeze Zaire.

With submarine bases and airbases that handle long-range bombers, the Russians are the main military power in the area. Were the South Africa situation to worsen, they would be sitting pretty to grab the strategic minerals. Soviet plans could get a quick boost from having the likes of Carlo De Benedetti atop SGB, which controls Union Minière. In January 1987 he proposed a "gigantic Marshall Plan for the socialist countries, as the Americans did to help Italy." From SGB, he will not only be able to open the way to growing Russian influence over Shaba but, since the Belgian conglomerate runs high-technology firms, could satisfy Soviet Foreign Minister Shevardnadze's demands for elimination of the clauses vetoing Western high-technology trade with the U.S.S.R.

The Soviets could then gloat over putting their Trojan Horse inside the European financial system; not scorning to shake the hands of the old colonial butchers, but happy to finally replace them.



## Guillaume and his 'Marshall Plan'

*The French Agriculture Minister is confident his plan will work—if only he could get the United States to agree.*

**M**y essential preoccupation is to help Third World countries increase their production and reduce their food dependence, and make them into real trade partners. That should be done in the context of an elaborate plan for economic and agricultural development, in each relevant country, and with the backing of international organizations."

That is the way French Agriculture Minister François Guillaume described his "Marshall Plan" for the Third World, in an interview published on Jan. 21 in the Catholic daily *La Croix*. It is a plan based on raising the prices of the commodities exported by Third World countries, primarily food, in conjunction with programs to develop their production capabilities.

Guillaume has been pressing for such an approach to the Third World debt and underdevelopment problem for years. The *La Croix* interview shows that he has not given up, and that he views his primary problem as that of getting the big dumb giant in Washington to agree to it.

Guillaume described the problem his program is intended to address in this way:

"Right now, war is being waged on world agricultural markets. . . . The result is a collapse of world prices way below production costs, as well as a drop in income—which is particularly intolerable when the country has no means to compensate for the loss through subsidies—for farmers in the North [developed nations] as well as in the South [underdeveloped nations]. Because of this worldwide agricultural disorder, developing coun-

tries' export revenues for coffee, cacao, cotton, etc. are dropping and their economic situation is getting worse, as they are forced into increasing indebtedness.

"Also because of the disorder, the leading agricultural nations of the North are engaging in a ruinous trade war, through subsidies. These same countries have adopted a policy of limiting production, although hundreds of millions of people are suffering from malnutrition. . . . My idea is to organize agriculture markets, beginning with grain, so that world prices go up. . . .

"In 1975, grain and sugar prices on the world market were five to six times higher than domestic European prices. The Soviets and Japanese bought anyway. The price is overlooked when a vital need must be met.

"The price rise we plan will lead to a reduction of the subsidies, financed up to now by the developed countries. The money saved will go into an assistance fund for developing countries, and be used for three main actions: food aid, development aid (first and foremost in training programs), and lastly, in getting rid of the debt of poor countries."

His *La Croix* interviewer challenged him, calling it "well known" that any food assistance program is "harmful" because it "discourages local production and increases food dependence. Wouldn't development aid be better?"

The minister retorted, "Those who claim food assistance is useless are hypocrites. Of course, food assistance must be given thoughtfully. And nothing should be done in a country with-

out the local authorities agreeing to it. . . . However, I repeat that food assistance is necessary."

Without the United States, "nothing can be done," his interviewer stated.

Guillaume replied with a swipe at the Reagan administration's "free trade" ideology. "The United States only promotes free trade when it's good for them. Before their presidential election, they will not move. Nevertheless, they must find another policy, or else continue spending indefinitely nearly \$30 billion a year on agriculture.

"And in fact, some voices are being raised to say so in the United States.

"Geopolitical considerations should help the Americans change ideas: first of all, Mr. Gorbachov's redoubtable diplomatic offensive; then, the dramatic indebtedness of the Third World threatening the American banks. Also the Japanese, who are losing industrial markets because the Third World no longer has the means to buy, would profit from the application of this plan, since it would lead to improving the economic situation of poor countries."

Guillaume denied that he had strictly geopolitical aims in mind.

"The outline of my plan has been the same since 1977. But I shift argument according to my audience. So, for the Americans, I insist that it is not only a humanitarian gesture, but also a long-term investment with geopolitical implications. . . . Countries living in misery look toward extremist ideologies. So, Western countries must help them to increase their living standard, and that is my objective. It is the example of the 'Marshall Plan,' devised by the United States after 1945, which allowed Western Europe to recover, to become their leading trade partner, and not to fall into the Soviet camp."

# Business Briefs

## AIDS

### Virginia law would test at 5 years old

Republican Delegate Robert K. Cunningham of Springfield has introduced legislation in the Virginia state legislature in Richmond that would require all Virginians over five years of age to be tested for AIDS by July 1989, or risk facing misdemeanor charges.

"We're talking about the greatest good for the greatest number," said Cunningham of his proposal, which has been opposed by a state cabinet secretary and by Democrats in Virginia's House of Delegates. "AIDS is an epidemic," Cunningham spelled out in a letter to House members. "It is essential, without panic, to resort to those measures which will limit its spread and shield the uninfected in order to protect their rights to freedom from fear of fatal infection."

Under Cunningham's bill, all adults would be informed of test results, and a child's test results would be given to the parents. A report of all positive results would be sent to the state Department of Health, which would keep all such information confidential.

Cunningham has also drafted a law making it a felony for an AIDS carrier to transmit the disease knowingly through sex or blood donation.

Human Resources Secretary Eva S. Teig has argued that the budget would probably not contain enough allocated money to pay for the testing required by Cunningham's bill.

## Biological Holocaust

### CDC covers up mosquito spread, too

The Atlanta Centers for Disease Control (CDC) is keeping a low profile on the issue of the spread of the so-called tiger mosquito (*Aedes albopictus*) throughout 17 of the eastern United States. Despite the low profile, some CDC sources say "a biological timebomb is ticking."

According to reports from public health experts, what frightens the CDC officials has been the discovery of cases of the dangerous Dengue hemorrhagic fever as far north as Baltimore. There is evidence indicating that this frightening infection is being spread by the tiger mosquito.

The fear is, that beginning next spring, there could be a spread of the tiger mosquito pestilence as far north as Boston, and as far west as the Rocky Mountains, affecting potentially a 35-state area. One source close to CDC is quoted, that if we can not control the spread of the tiger mosquito, "the first Dengue fever epidemic in the United States since 1945" could erupt this summer.

It is reported that the tiger mosquito is an Asian variety also found in Madagascar. It is known to be "a dangerous transmitter of yellow fever, Dengue, and some special forms of encephalitis." It is an efficient transmitter of a nastier form of Dengue native to Cuba, Dengue hemorrhagic.

## Foreign Exchange

### Secret central bank accord on dollar

An unannounced agreement reached between world central banks, in the context of the recent Group of Seven accord on the dollar and the markets, provides for a special dollar-support fund, that is creating "a sea change in the character of American debt and in dollar-support operations," a senior London financial source told *EIR* Jan. 27.

The special fund of \$15 billion is money lent to the U.S. government to support the dollar, in the foreign currencies of Europe and Japan.

"It's the end of the unilateral buy-up of dollars. The Americans are moving in the direction of having their indebtedness in foreign currencies and, in that respect, the United States's debt character becomes identical to that of Mexico and Brazil, which pay their debt in foreign currencies."

A potential test case of this arrangement, is the reported Feb. 2 U.S. Treasury Bond offer of \$27 billion, he noted. "How will foreign central banks buy the bonds? Since no private bank, individual buyer, or pen-

sion fund will buy dollars, foreign central banks will have to buy in a big way. The big question is, is a secret agreement being reached with the U.S. Treasury, to have a fixed exchange rate of foreign currencies and the U.S. dollar, coupled to a U.S. commitment to repay in foreign currencies?" The United States has been unwilling to do this before, he said, "but the crisis of the dollar may force a revision of this attitude."

This expert claimed that recent reports from Tokyo of imminent massive Japanese purchases of long-term U.S. Treasury Bonds, should be seen in that context. The Japanese purchases are intended to "ensure smooth sales of U.S. government securities and restrict increases in long-term interest rates," according to the report of Jiji news service. This policy is "likely to have great influence on Japanese institutional investors . . . who now seem cautious about investing in the United States due to the decline of the dollar," the release continued.

## Foreign Investment

### China to develop its coastal areas

Chinese Communist Party General Secretary Zhao Ziyang said Jan. 22 that China must attract foreign investment with its low-wage export industries. China should "miss no chance to get its coastal areas engaged in drawing more foreign investment and boosting export-oriented production in a bid to get involved in international exchange and competition," he was quoted in *China Daily* Jan. 23.

Said Zhao, "We should do a good job attracting foreign investment, since our coastal areas boast the advantages of low-paid laborers with high expertise." Another drawing card for China's coastal areas is good infrastructure, he said.

"This development strategy is of significance politically and economically," he continued, calling for top priority emphasis on launching wholly foreign-funded enterprises. Previously, China has given approval to only a very few wholly foreign-owned enterprises.

Zhao said that opportunities to develop

## Briefly

● **JAPAN'S** magnetic levitation train is almost ready for commercial development, since test runs have proven its technical feasibility. After one more year of testing, the first superhigh-speed train tracks will be built between the city of Sapporo and its airport, and between Tokyo and Osaka. About \$150 million has been earmarked for further feasibility studies. Engineers claim the train will be cheaper to install than the present generation of "bullet trains," although operating costs are high. The train reaches 160 mph in 30 seconds, and can travel up to 500 mph.

● **5% OF CONGO'S** 5 million people are infected with the AIDS virus, and doctors predict that 100,000 Congolese will die of AIDS in a decade. "If there is no vaccine, it will be like war for us," said Pierre Mpele, secretary of Congo's committee to combat AIDS.

● **HOWALDTSWERKE** shipyard in Kiel, West Germany illegally shipped a complete submarine model to Israel in December 1986, according to a report in the *Der Spiegel* magazine. The plastic model was shipped from Kiel to Hamburg, and from there to Israel, according to the certificates of Howaldtswerke. From Israel, it may have gone to Iran, or to the Republic of South Africa.

● **SWISS BANKERS** fall into three categories, depending on whether they think the second wave of the international financial crash will come in February, March, or April. A prominent Geneva private banker explained to *EIR*, "We're all very gloomy, U.S. interest rates are bound to go up. There are even small Swiss banks coming to us trying to sell themselves very fast, before they go under." Another Geneva banker forecast that by 1990, the Dow Jones Index would be down hovering between 400 and 500, from today's 1800-1900 level. He was in the "March" faction.

the coastal areas, with a population of 100-200 million, have been missed in the past. "We cannot allow ourselves to miss this change again," he said, "and we should have a sense of urgency." Local governments and enterprises should have a greater role in foreign trade, and the contract system should be introduced.

### Technology

#### Martin-Marietta to assess SDI

On March 22, Martin-Marietta Corporation was awarded more than half of a \$1 billion contract to build a computer complex capable of simulating strategic defense systems and "evaluating whether it is technically possible to repel a nuclear attack," the *New York Times* reported Jan. 23. The computer complex will be built near Colorado Springs.

Its findings "are expected to be crucial to reaching a decision to deploy a rudimentary Star Wars defense" in the early 1990s, wrote *Times* reporter David Sanger, who quoted program director Col. Thomas L. Leib, Jr., "It will be Martin's responsibility to simulate all the options, find the optimum mix of weapons systems, and determine whether it's cost-effective."

Martin Marietta's portion of the \$1 billion project amounts to \$508 million over five years. The Jan. 23 *Washington Post* also reported that over 1,000 jobs will be created.

### Far East

#### Japan, Soviets to plan Siberian projects

Japanese business leaders held talks in Tokyo with Foreign Minister Boris Aristov and other Soviet officials in late January and early February, Japanese business sources said. Their topic: ways to cooperate in development projects in Siberia and the Far East.

The talks, scheduled for Jan. 27-28 and Feb. 2, were to comprise the 11th joint ses-

sion of the Japan-Soviet Business Cooperation Committee and its Soviet counterpart. They were the first talks in 19 months; the previous meeting took place in Moscow in April 1986.

The discussions were to cover a variety of possible development projects involving coal, lumber and pulp, a chemical project, and the improvement of harbor and transport facilities, the sources said.

The Japanese and Soviet committees used to hold an annual joint session alternately in each other's country, but no meeting was held last year because of an international row over the unlawful export of sensitive technology to the U.S.S.R. by Japan's Toshiba.

### Trade War

#### U.S. still plans Brazil sanctions

Despite Brazil's concessions on the issue of permitting U.S. computer firms to flood its market, the United States is still expected to impose trade sanctions in retaliation for Brazil's restrictions on such firms as IBM, according to sources in Washington.

U.S. ambassador to Brazil, Harry Schlaudeman, has just returned to Brazil on an urgent mission connected with the sanctions issue, after meetings at the State Department.

Schlaudeman met with President José Sarney Jan. 25, and presented the U.S. demands that all protectionism be lifted. Should he do so, many Brazilian firms will be bankrupted. If Sarney doesn't capitulate, then the sanctions will be imposed—also potentially bankrupting Brazilian export industries.

The issue has led to a major fight within the Brazilian business community. The "Group of 30" leading exporting companies wants Brazil to forestall the sanctions, as they are already being hurt: Airplanes, shoes, and other products ordered by U.S. firms will not be accepted on delivery by their U.S. buyers if there are going to be heavy import duties on them.

But the computer industry has warned of its own bankruptcy if Sarney capitulates to U.S. pressure.

---

## Starpower: the quest for fusion energy today

---

*The Office of Technology Assessment's "Starpower" detailed the different methods of attaining fusion energy. Part 2 of a series from the OTA's report.*

---

---

### Fusion science and technology

---

#### Confinement concepts

Most of the fusion program's research has focused on different magnetic confinement concepts that can be used to create, confine, and understand the behavior of plasmas. In all of these concepts, magnetic fields are used to confine the plasma; the concepts differ in the shape of the fields and the manner in which they are generated. These differences have implications for the requirements, complexity, and cost of the engineering systems that surround the plasma. . . .

At this stage of the research program, it is not known which confinement concept can best form the basis of a fusion reactor. The tokamak is much more developed than the others, and tokamaks are expected to demonstrate the basic scientific requirements for fusion within a few years. However, several alternate concepts are under investigation in order to gain a better understanding of the confinement process and to explore possibilities for improving reactor performance.

The major scientific questions to be answered for each confinement approach are whether and with what confidence the conditions necessary for a sustained, power-producing fusion reaction can be simultaneously satisfied in a commercial-scale reactor. Much of the experimental and theoretical work in confinement studies involves the identification and testing of *scaling relationships* that predict the performance of future devices from the results of previous experiments.

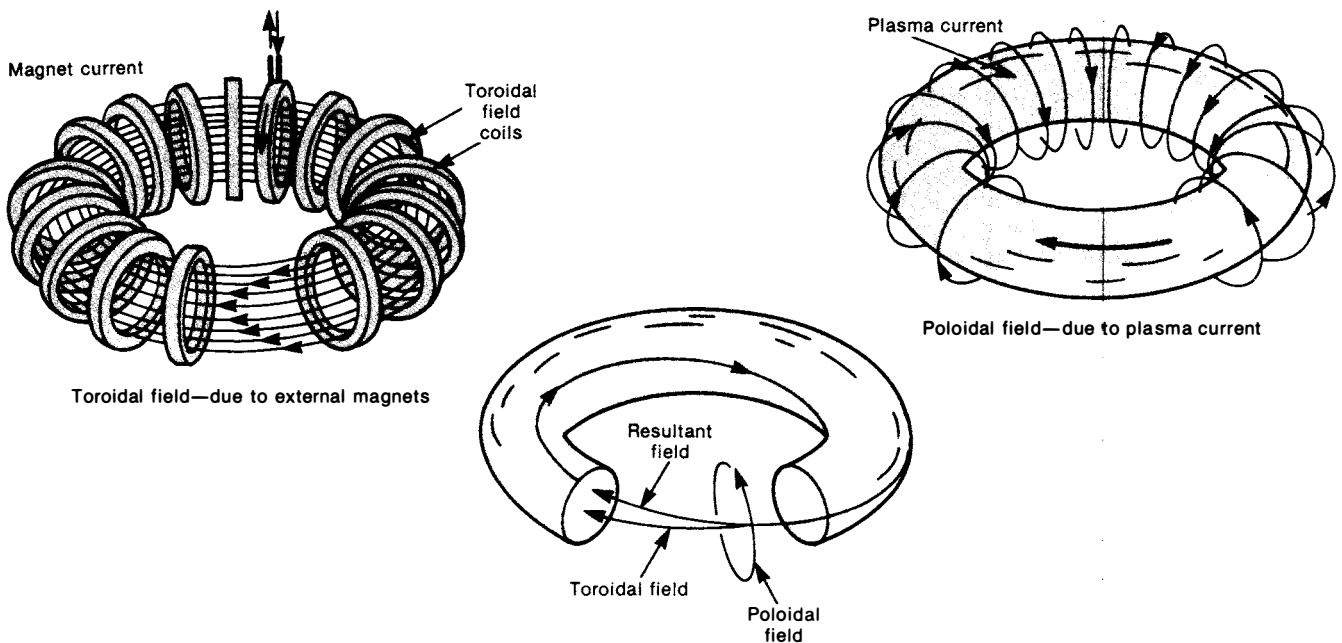
Ideally, such scaling models should be derivable from the basic laws of physics. However, the behavior of plasmas confined in magnetic fields is so complicated that a general theory has not yet been found. With some simplifying assumptions, limited theoretical models have been developed, but they are not broad enough to extrapolate the behavior of a concept to an unexplored range. Without a sound theoretical base, the risk of taking too large a step is great. A series of intermediate-scale experiments is needed to bridge the gap between concept development and a full-scale reactor. . . .

#### 'Closed' concepts

In "closed" magnetic confinement configurations, the plasma is contained by magnetic lines of force that do not lead out the device. Closed configurations all have the basic shape of a doughnut or inner tube, which is called a "torus." A magnetic field can encircle a torus in two different directions (**Figure 3**). A field running the long way around the torus, in the direction that the tread runs around a tire, is called a "toroidal" field. This field is generally created by external magnet coils, called toroidal field coils, through which the plasma torus passes. A magnetic field perpendicular to the toroidal field, encircling the torus the short way, is called a "poloidal" field. This field is generated by electrical currents induced to flow within the plasma itself. Together, toroidal and poloidal magnetic fields form the total magnetic field that confines the plasma.

**Conventional tokamak.** In a tokamak, the principal confining magnetic field is toroidal, and it is generated by large external magnets encircling the plasma. This field alone,

**FIGURE 3**  
**Tokamak magnetic fields**



Source: Princeton Plasma Physics Laboratory, Information Bulletin NT-1: Fusion Power, 1984, p. 4.

however, is not sufficient to confine the plasma. A secondary poloidal field, generated by plasma currents, is also required. The combination of poloidal and toroidal field produces a total field that twists around the torus and is able to confine the plasma (Figure 3).

The tokamak concept was developed in the Soviet Union, and, since the late 1960s, it has been the primary confinement concept in all four of the world's major fusion research programs. It has also served as the principal workhorse for developing plasma technology. The scientific progress of the

**TABLE 1**  
**Major world tokamaks (a)**

Device	Location	Status
JET .....	European Community (UK)	Operating
DIII-D .....	United States (GA)	Operating
Alcator C-Mod .....	United States (MIT)	Under construction
T-14 .....	USSR (Kurchatov)	Under construction
TFTR .....	United States (PPPL)	Operating
JT-6 .....	Japan (Naka-machi)	Operating
T-15 .....	USSR (Kurchatov)	Under construction
ASDEX-Upgrade .....	West Germany (Garching)	Under construction
Tore Supra .....	France (Cadarache)	Under construction
Frascati Tokamak Upgrade .....	Italy (Frascati)	Under construction
PBX-M .....	United States (PPPL)	Under construction
TEXTOR .....	West Germany (Julich)	Operating

(a) Listed in decreasing order of plasma current, one of the many parameters that determines tokamak capability.

TABLE 2

**Major world stellarators (a)**

Device	Location	Status
ATF .....	United States (ORNL)	Under construction
Wendelstein VII-AS .....	West Germany (Garching)	Under construction
URAGAN-2M .....	USSR (Kharkov)	Under construction
Heliotron-E .....	Japan (Kyoto Univ.)	Operating
URAGAN-3 .....	USSR (Kharkov)	Operating
CHS .....	Japan (Nagoya Univ.)	Under construction
L-2 .....	USSR (Lebedev)	Operating
H-1 .....	Australia (Canberra)	Under construction

(a) Listed in order of decreasing stored magnetic energy, a parameter which in turn depends both on magnetic field and plasma volume.

TABLE 3

**Major world reversed-field pinches (a)**

Device	Location	Status
CPRF .....	United States (LANL)	Under construction
RFX .....	Italy (Padua)	Under construction
OHTE .....	United States (GA)	Operating
HBTX 1-B .....	United Kingdom (Culham)	Operating
ZT-40M .....	United States (LANL)	Operating
MST .....	United States (U of Wis)	Under construction
ETA BETA II .....	Italy (Padua)	Operating
Repute 1 .....	Japan (Tokyo Univ)	Operating
TPE-1RM(15) .....	Japan (Tsukuba Univ)	Operating
STP-3M .....	Japan (Nagoya Univ)	Operating

(a) Listed in order of decreasing plasma current, a rough measure of reversed-field pinch performance.

tokamak is far ahead of any other concept. Major world tokamaks are listed in **Table 1**.

**Advanced tokamak.** Various features now under investigation may substantially improve tokamak performance. Modifying the shape of the plasma cross-section can increase the maximum plasma pressure that can be confined with a given magnetic field. The Doublet III-D (D III-D) tokamak at GA Technologies and the Princeton Beta Experiment Modification (PBX-M) tokamak at Princeton Plasma Physics Laboratory are being used to investigate shaped plasmas according to this principle. Other variants on tokamak design would permit more compact cores to be constructed, which could lead to less expensive reactors; these improvements are under study.

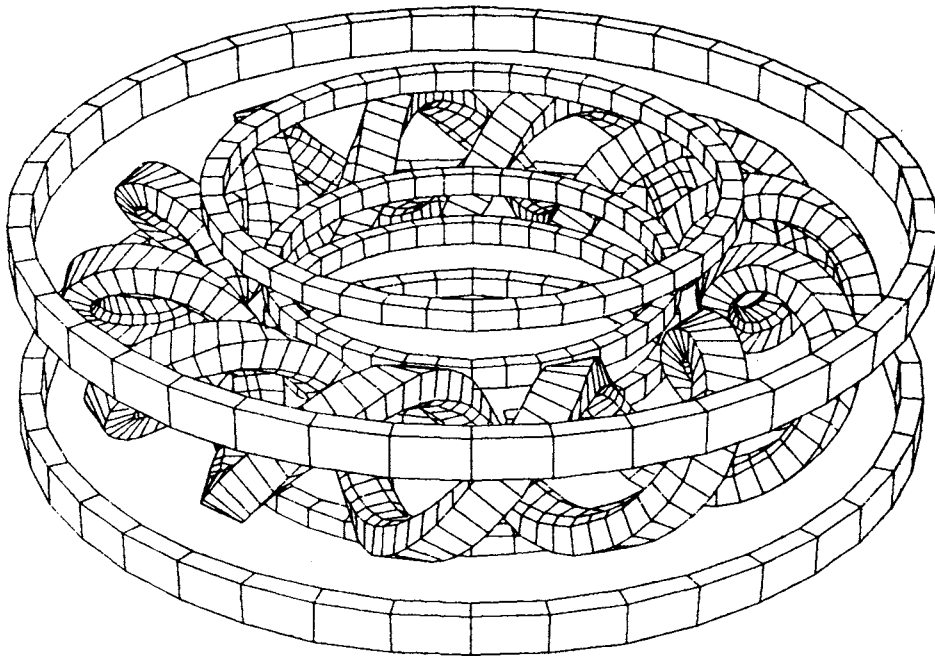
Still other improvements would permit tokamaks to run continuously. The technique typically used today to drive the plasma current in a tokamak can be run only in pulses. Technologies for driving continuous, or steady-state, plasma cur-

rents are being investigated at a number of different experimental facilities.

**Stellarator.** The stellarator is a toroidal device in which both the toroidal and poloidal confining fields are generated by external magnets and do not depend on electric currents within the plasma. The external magnets are consequently more complicated than those of a tokamak (**Figure 4**). However, the absence of plasma current in a stellarator enables steady-state operation to be achieved more directly without the need for current drive.

The stellarator concept was invented in the United States. After the discovery of the tokamak in the late 1960s, however, the United States converted its stellarators into tokamaks. The stellarator concept was kept alive primarily by research in the Soviet Union, Europe, and Japan, and, due to good results, the United States has recently revived its stellarator effort. Stellarators today perform as well as comparably sized tokamaks.

FIGURE 4

**Magnet coils for the advanced toroidal facility, a stellarator**

Source: Oak Ridge National Laboratory.

Major world stellarator facilities that are operating or under construction are listed in **Table 2**. Not shown on the table is the Large Helical System proposed to be built in Japan at a cost several times that of the largest stellarator machine now under construction; if built and operated, the new Japanese device would be the largest operational non-tokamak fusion experiment.

**Reversed-field pinch.** In a reversed-field pinch, the toroidal magnetic field is generated primarily by external magnets and the poloidal field primarily by plasma currents. The toroidal and poloidal fields are comparable in strength, and the toroidal field reverses direction near the outside of the plasma, giving the concept its name (see **Figure 5**). In a tokamak, the toroidal field dominates and points in the same direction throughout the plasma.

The reversed-field pinch generates more of its magnetic field from plasma currents and less from external magnets, permitting its external magnets to be smaller than those of a comparably performing tokamak. The nature of the magnetic fields in a reversed-field pinch may also permit steady-state plasma currents to be driven in a much simpler manner than is applicable in a tokamak. Moreover, a reversed-field pinch plasma may be able to heat itself to reactor temperatures without the complex and costly external heating systems required by tokamaks.

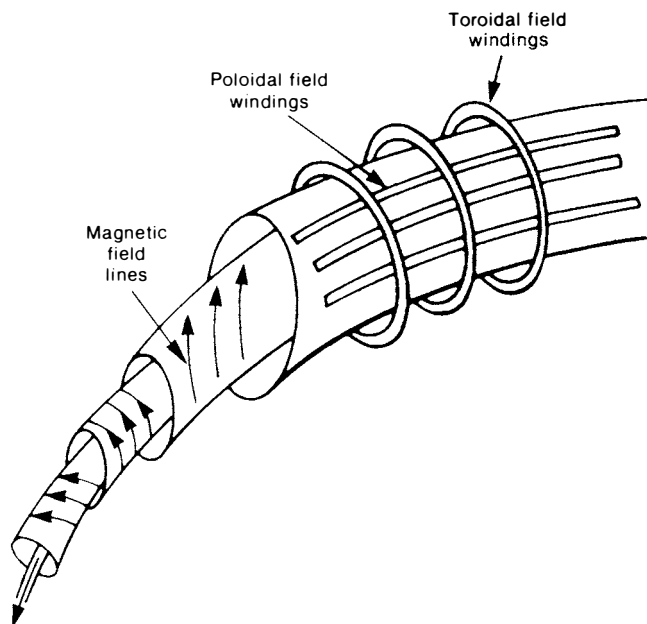
Los Alamos National Laboratory in New Mexico is the

center of U.S. reversed-field pinch research. The Confinement Physics Research Facility (CPRF) to be built there will hold the largest reversed-field pinch device in the United States. A variant of the reversed-field pinch, the Ohmically Heated Toroidal Experiment, or OHTE, was built at GA Technologies in San Diego, California. Reversed-field pinch research is also conducted in both Europe and Japan. **Table 3** lists the major world reversed-field pinches.

**Spheromak.** The spheromak is one of a class of less developed confinement concepts called "compact toroids," which do not have toroidal field coils linking the plasma loop and therefore avoid the engineering problem of constructing rings locked within rings. Conceptually, if the toroidal field coils and inner walls of a reversed-field pinch were removed and the central hole were shrunk to nothing, the resultant plasma would be that of the spheromak. Its overall shape is spherical; although the internal magnetic field has both toroidal and poloidal components, the device has no central hole or external field coil linking the plasma (**Figure 6**). The plasma chamber lies entirely within the external magnets. If the spheromak can progress to reactor scale, its small size and simplicity may lead to considerable engineering advantages. However, the present state of knowledge of spheromak physics is rudimentary.

Spheromak research at Los Alamos National Laboratory was terminated in 1987 due to fiscal constraints, and another

FIGURE 5  
Reversed-field pinch



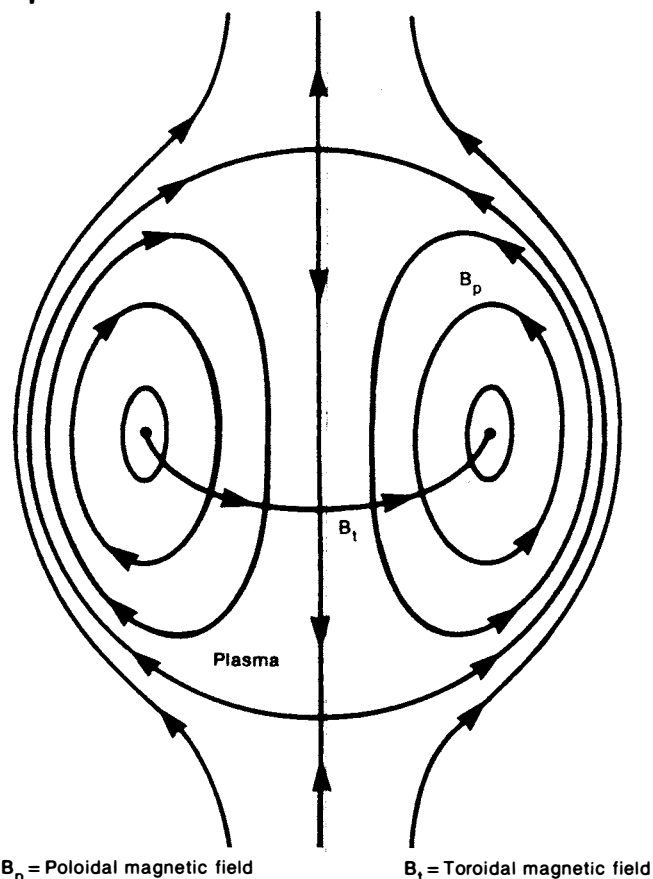
Sources: Adapted from National Research Council, *Physics Through the 1990s: Plasmas and Fluids* (Washington, D.C.: National Academy Press, 1966).

major U.S. device at Princeton Plasma Physics Laboratory is to be terminated in fiscal year 1988. The remaining U.S. spheromak research effort takes place at the University of Maryland. Spheromaks also are being studied in Japan and the United Kingdom. Major world spheromak devices are listed in **Table 4**.

**Field-reversed configuration.** The field-reversed configuration (FRC) is another form of compact toroid. Despite the similar name, it does not resemble the reversed-field pinch. It is unusual among closed magnetic confinement concepts in providing confinement with only poloidal fields; the FRC has no toroidal field. The plasma is greatly elongated in the poloidal direction and from the outside has a cylindrical shape (**Figure 7**).

Like the spheromak, the FRC does not have external magnets penetrating a hole in its center; all the magnets are located outside the cylindrical plasma. The FRC also has the particular virtue of providing extremely high plasma pressure for a given amount of magnetic field strength. If its confining field is increased in strength, the FRC plasma will be compressed and heated. Such heating may be sufficient to reach reactor conditions, eliminating the need for external heating. Existing FRC plasmas are stable, but whether stability can be achieved in reactor-sized FRC plasmas is uncertain. A new facility, LSX, is under construction at Spectra Technol-

FIGURE 6  
Spheromak



Source: M.N. Rosenbluth and M.N. Bussac, "MHD Stability of Spheromak," *Nuclear Fusion*, 19(4):489-498 (Vienna, Austria: International Atomic Energy Agency, 1979).

ogies in Bellevue, Washington, to investigate the stability of larger plasmas.

U.S. FRC research started at the Naval Research Laboratory in Washington, D.C., in the late 1960s. Increased effort in the United States in the late 1970s, centered at Los Alamos, was undertaken largely in response to experimental results obtained earlier in the decade from the Soviet Union and the Federal Republic of Germany. Soviet research has continued, but German and British research programs have stopped. Meanwhile, a program in Japan has begun. Major field-reversed configuration experiments around are listed in **Table 5**.

### 'Open' concepts

Plasmas in open magnetic confinement devices are confined by magnetic fields that do not close back on themselves within the device but rather extend well outside the device. Since plasma particles can easily travel along magnetic field



TABLE 4

**Major world spheromaks (a)**

Device	Location	Status
S-1 .....	United States (PPPL)	To be terminated
CTX .....	United States (LANL)	Terminated
MS .....	United States (U of Md)	Under Construction
CTCC .....	Japan	Operating
Manchester .....	United Kingdom (U of M)	Operating
TS-3 .....	Japan	Operating

(a) Listed approximately by decreasing order of the size of the spheromak research effort at each site; it is difficult to specify any single physical parameter as a rough measure of spheromak capability.

TABLE 5

**Major world field-reversed configurations (a)**

Device	Location	Status
LSX .....	United States (Spectra T)	Under Construction
FRX-C .....	United States (LANL)	Operating
BN, TOR .....	USSR (Kurchatov)	Operating
TRX-2 .....	United States (Spectra T)	Operating
OCT, PIACE .....	Japan (Osaka Univ.)	Operating
NUCTE .....	Japan (Nihon Univ.)	Operating

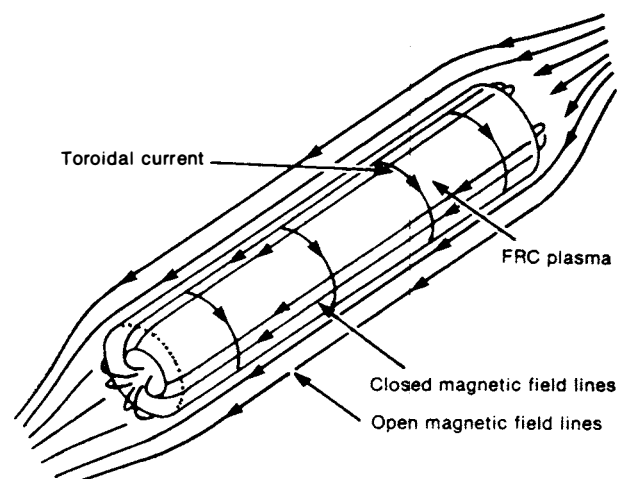
(a) Listed approximately by decreasing order of size; similarly sized devices at the same institution are listed together.

lines, some additional mechanism is required to reduce the rate at which plasma escapes out the ends of an open confinement device.

**Magnetic mirrors.** . . . The tandem mirror concept was developed simultaneously in the United States and the Soviet Union in the late 1970s. The Mirror Fusion Test Facility B (MFTF-B), located at Lawrence Livermore National Laboratory in California, is the largest mirror device in the world and the largest non-tokamak magnetic confinement fusion experiment. Budget cuts, however, forced MFTF-B to be mothballed before it could be used experimentally. The Tandem Mirror Experiment Upgrade (TMX-U) at Livermore, a smaller version of the MFTF-B, was terminated as well, and the TARA device at the Massachusetts Institute of Technology will be shut down in 1988. At that point, Phaedrus at the University of Wisconsin will be the only operational U.S. mirror machine. Mirror research is still conducted in the Soviet Union and Japan. **Table 6** presents a list of major world tandem mirror facilities.

**Dense z-pinch.** In this concept, a fiber of frozen deuterium-tritium fuel is suddenly vaporized and turned into plasma by passing a strong electric current through it. This current heats the plasma while simultaneously generating a strong

FIGURE 7  
**Field-reversed configuration**



Source: National Research Council, *Physics Through the 1990s: Plasmas and Fluids* (Washington, D.C.: National Academy Press, 1966).

TABLE 6

**Major world tandem mirrors\***

Device	Location	Status
MFTF-B	United States (LLNL)	Mothballed
TMX-U	United States (LLNL)	Mothballed
Gamma-10	Japan (Tsukuba Univ)	Operating
TARA	United States (MIT)	To be terminated
Phaedrus	United States (U of Wis)	Operating
Ambal M	U.S.S.R. (Novosibirsk)	Under construction

\*Listed in decreasing order of size

magnetic field encircling the plasma column (**Figure 8**), "pinching" it long enough for fusion reactions to occur. Many devices investigated in the earliest days of fusion research in the 1950s operated in a similar manner, but they were abandoned because their plasmas had severe instabilities and were unable to approach the confinement times needed to generate fusion power.

The dense z-pinch differs from the 1950s pinches in several important aspects that, as calculations and experiments have shown, improve stability. Crucial to the modern experiments are precisely controlled, highly capable power supplies that would have been impossible to build with 1950s technology, and the use of solid, rather than gaseous, fuel to initiate the discharge. However, it is much too early to tell whether this concept can be developed successfully. If the

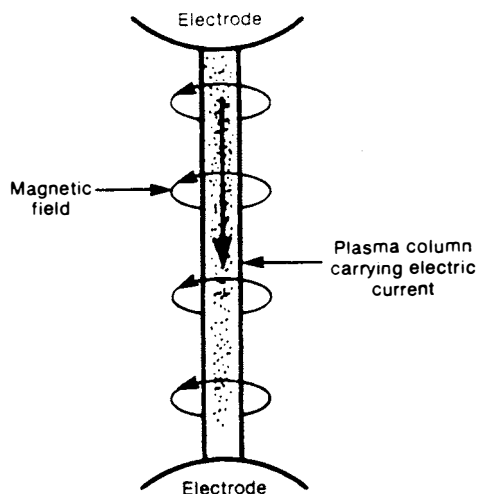
concept can be developed, the device has the potential to be far smaller and far less expensive than devices based on other concepts. External magnets are not needed since the plasma current supplies the entire confining field. Dense z-pinch research is taking place in the United States at two facilities: the Naval Research Laboratory and Los Alamos National Laboratory.

## Conclusions concerning confinement approaches

A number of general conclusions can be drawn from studies of the confinement concepts that have evolved of the past 10 to 15 years:

- Many fusion concepts are under study because the frontrunner tokamak, while likely to be scientifically feasible, may yet be found weak in some critical area or less economically attractive than alternatives. . . .
- Different confinement studies complement each other: . . .
- A great deal of progress in understanding fusion plasmas and confinement concepts has been made to date. Many concepts studied earlier, such as the simple magnetic mirror, are no longer studied today because they cannot compare attractively to improved or alternate concepts. At the same time, as in the case of the dense z-pinch, problems once considered intractable may be solved with additional scientific understanding and more advanced technology.
- Research on all confinement concepts has benefited from international cooperation. . . .
- Not all confinement concepts can be developed to reactor scale. . . .
- Progress in fusion science depends on progress in fusion technology. Time after time, the exploration of new ranges of plasma behavior has been made possible by the development of new heating, fueling, and plasma shaping technologies.

FIGURE 8  
**Dense Z-pinch**



Source: Office of Technology Assessment, 1987

## Tebaldi: High tuning is the cancer of the voice

*Miss Renata Tebaldi, one of the most celebrated operatic sopranos of the twentieth century, was interviewed in Milan on June 18, 1987 by Liliana Celani and Giuseppe Matteucci of the Schiller Institute.*

**Q:** Miss Tebaldi, we ask you, as we have other great Italian performers whom we have already interviewed, what is your opinion of the high tuning which today afflicts our opera houses? Do you think this is bad for the voice?

**Tebaldi:** Absolutely. For years I have been battling against high pitch, so much that I made it part of my contract. During the last international meeting on music, in England in 1939, pitch was very much a subject of discussion and it was set at A = 440. Then, with the increase in cutting records, it was noticed that a higher pitch produced a better sound from the record, especially symphonic work. And that's where the mistakes began. Then when the new orchestra conductors came along, it seems some of them found the high pitch more pleasing to the ear, and when they went into the recording studio to listen to a performance, their opinion was confirmed. A little bit one day, a little the next, they continued to raise the pitch until today orchestras are pitched extremely high. But even if, for example, an orchestra is dedicated only to performing symphonies, it disturbs the ear: I cannot, for example, manage to sit through a piece by Strauss, whose orchestration is already difficult enough: It makes me so nervous that at a certain point I have to leave. Why? Because those extra vibrations over and above those my ear would like to hear, bother me terribly; so I leave.

If the altered pitch were only for symphony orchestras,

let's say if it pleased orchestra conductors, even if it's wrong, we could have put up with it. But the problem is that these same conductors went on to become directors of lyric opera, and they brought this vice with them—and I call it "vice" because that's what it is; no one can claim it is good for everyone, above all for singers (although even the instruments have a tremendous strain put on them by the new pitch). When I refer to my contracts, I mean that I went around with my A = 440 tuning fork and demanded that the orchestras tune to that; because with the institution of electronic pitch, even the 440 disappeared.

**Q:** We are almost at 450.

**Tebaldi:** The only thing which gives the right pitch is in that form there (points to a picture of a tuning fork). So I demanded this in my contract. Naturally there was a huge—I wouldn't say scandal—but a battle royal because the musicians thought this was some kind of favor to me; but instead I said to them: "We all came from the conservatory, and speak the same language."

Then I called the first oboe of an orchestra—he had been a friend of mine at the conservatory—and I asked him: "Clear something up for me. At what pitch does the orchestra begin?" He said: "We begin at 443 but since especially the wind instruments tend to raise pitch during the performance, you can imagine where we are at the end." I then asked him if they couldn't drop down to where we were asking. He said "impossible." Why? "Because when I was accepted into the orchestra I had to adjust to the pitch of my colleagues—it took me six months before I could get the reed to produce the

sound that was in tune with my colleagues.” (They say the same of the brass who have to shorten their instruments.)

I don't know why some orchestras start with 443, others 444, others 445, and others almost a whole tone above where the composer wrote it. To be consistent, all the publishing houses (Ricordi, etc.) should redo all the scores, writing them a whole tone lower.

**Q:** Or we could return to the pitch for which they were written.

**Tebaldi:** Yes, we could return to the proper pitch for the instruments—it has gone through my head so many times: Keep this for the symphonies, but don't try to use it for lyric opera, because the poor singers work with their breath. And we study above all for so many years to put the center of the voice in the right place, which then gives us the possibility for going up to the third (acuto) and fourth (sopracuto) registers. If during opera rehearsals we have to strain our voices to place them right where the orchestra is tuned; it is madness. In fact, you've probably noticed that in the first rehearsals of orchestra and chorus there's always something wrong. It is because of this: We have to work with our voices and it's a superhuman effort. Why? Because we have sensibilities, and we too can understand what note we're producing, if we are at the right pitch.

For example when I, as a soprano, change registers (E, F, F sharp)—and the other voices each have their own register shift—that's the most dangerous point. That's where we sense what kind of note we're producing. Now with the higher pitch, sensing the difficulty that you are having producing, for example, an F-sharp, what do you do? You exert a superhuman effort, force the throat, and end in disaster.

Then you might ask, why should contralto voices no longer exist? Mezzosoprano voices make me laugh; where are true mezzosoprano voices, with such a full color as, for example, Fedora Barbieri? The last one, Fiorenza Cossotto, already has a higher range and less substance to the voice by an order of magnitude.

Why should there no longer be deep bass voices? You can't find them. The only baritones are light baritones; and then there are the light lyric sopranini [sic], who suffer less because, having a smaller voice, they can bear this tremendous tension caused by the raised pitch more easily. The lack of these full voices is certainly not due to a change in vocal cords because our anatomy has not changed. Our vocal cords are two muscles which can function in various ways according to the talents we are born with. But with the high pitch, the throat, looking for a way to compensate for this defect, instinctively tightens, and I don't know why these great musicians can't quite understand that this is a disaster. I will give it an ugly name: This high pitch is a cancer for the voice.

It is not possible that in the country that gave birth to the most beautiful voices in the world, they should have disappeared as if by enchantment. There are those who say the

vocal cords have changed, but I think this is stupid. The cause is more important and more dangerous: It is the change of tonality caused by the high pitch. For that reason I stipulated in my contracts that I would not sing with higher tuning: In fact the last time I performed “Gioconda” in Naples, I caused a pandemonium.

**Q:** When was that?

**Tebaldi:** I think around 1964-65. In America I made that same stipulation, and the Metropolitan, at least while I was singing there, was at 440—I checked it with my tuning fork. Now the Met is no longer at 440—naturally since a young director came in, Levine, who began his work at Salzburg under the influence of Von Karajan.

**Q:** Was it Karajan who raised the A almost to 450?

**Tebaldi:** He was one of the first to worship this type of sound. . . .

**Q:** So-called “brilliant” sound.

**Tebaldi:** Because he had done so many things in recording studies that by now he was used to that tonality. The only problem is that he has maintained this sound for his orchestra and also for opera work; and that cannot go on any longer. If nothing else, if they do not change, there will be only hybrid voices, without color, which means it won't matter if Tom, Dick, or Harry sing because they will not have the possibility of letting us hear the distinguishing characteristics of their voice, because it is impossible to do so.

**Q:** When we spoke with violinists who use old instruments, and when we read documents written in 1884, we discovered that these instruments are severely damaged by high pitch. For example, the fundamental resonance of a Stradivarius or a Guarneri is C = 256, which corresponds to A = 432, which is what Verdi wanted; and it has been calculated that the tension added to a violin with the high pitch is about nine pounds, and must be tons for the piano. All the singers we have spoken to up till now, told us that the excuse given is that the oboe cannot be changed. But all the wind instruments were changed in 1884; and at the time Mozart was composing, all the wind instruments had exchangeable parts for varied pitch—so it is possible. Our hypothesis is that it is harmful not only for the voice but also for instruments, and that it is a conscious attempt to destroy the musical intention of the composer; you can also see that from the way the pieces are performed. What is your experience as a singer with these young, modern conductors; what kind of comprehension of the composer's purpose do you see in their interpretation?

**Tebaldi:** It is very striking. I have, I repeat, a very sensitive ear and some of those sounds I cannot bear. For example, not long ago I heard Uto Ughi, and as much as I admired the color which he drew from the violin in the middle region, I was disturbed that much by the excessive pitch of the high

notes: I was not well for the rest of the evening. It is unbearable. We no longer hear music in the original key; it is all distorted. It is such a shame because we have so many masterpieces; why should we not venerate them? Why should we not be in the first ranks of those who live in music? Why must it be we who destroy these things? That astounds me. Today it's not that we don't have good musicians and good conductors—we do. But why don't they draw the line? I remember Maestro De Sabata who demanded  $A = 440$  of the orchestra; and Toscanini even somewhat lower pitch because he scrupulously kept to what Verdi et al. said about pitch. Toscanini wanted that color; he demanded it. So before he called out the performers or the chorus, he spent half an hour tuning up the orchestra, section-by-section. He had that kind of patience. After him came Maestro De Sabata; after De Sabata. Maestro Giulini, a student of De Sabata. After that period, no one was any longer concerned with the tuning of the orchestra. They have instituted this electronic pitch which in no way corresponds to  $A = 440$ ; and they even got rid of that because the conductors wanted to raise pitch some more, so now they use the first violin or the oboe.

**Q:** But in terms of what you said earlier, it's a problem of construction. The instrument maker can make the oboe lower. Of course if the conductor wants  $A = 445-450$ , they make the oboe higher.

**Tebaldi:** But it is, above all, up to the musician to adjust the reed according to the intonation they want. It depends in the conductor: It's he who directs the orchestra.

**Q:** What we are asking ourselves—also because we have a series of initiatives regarding pitch in the works—a decree, such as the one during Verdi's time by the Defense Ministry, would not be possible today? Or is it more difficult because of the fact that these same political groups which control the theatre would prevent it?

**Tebaldi:** But look, the political groups which control the theatre control them in such a way that no one cares about them. In the theatre there is no one who notices what's going on in the theatre. A state superintendent almost never attends rehearsals; he never knows what the stage manager has put together until general rehearsal; or the theatre director: This way it cannot work.

Once, the person actually responsible used to be the orchestra conductor, and I still consider this to be so. So if a theatre director is wrong, it must be the conductor who says: "No, my friend, I'm sorry, but that's not suitable for the music that I want my musicians to play; so forget it and do something else." He is the authority; he's supposed to control putting on a performance.

It's a battle; I continue to fight. I haven't sung for 11 years but I continue to fight. I don't know how many interviews I have given on the subject of pitch. It may get a little boring because I'm always playing the same tune; but it's essential.

**Q:** It is essential. The question of pitch goes hand in hand with other tendencies, such as speeding up the tempo, the which ruins the interpretation of not only opera but also symphonic and piano pieces.

**Tebaldi:** It's just getting all messed up. In fact today, when I hear Chopin, it doesn't affect me at all. There was a time it moved me so much I could even cry; today I get nothing emotional from it. I can say, "What marvelous technique," because some performers do have that—but nothing else. It's the same in singing. I go to the opera hoping to be stirred even slightly, but nothing. I can say, "That was a long line to do in one breath"; I can admire "pianissimo" singing; but when I leave, I have received nothing.

**Q:** When comparing your performances to those of "up-and-coming" voices, one notes an abysmal difference: in quality, roundness (which is often lacking, you sometimes hear shouting), but also in interpretation. What ever happened to the "bel canto" school? How do you see the education problem?

**Tebaldi:** It has come to a terrible end, because today everyone wants to sing everything; no one sticks to their repertoire. And then when you hear the mezzosopranos, who are such today by default, they are but sopranos manqués, who choose to sing mezzosoprano for convenience, but also because of the pitch, because they too have to go up. But if we were to hear these voices with the pitch as it should be, I wager that they would go back to producing all the real coloring of the voice.

**Q:** This is a question that we are very interested in. Do you think that the lack of intermediate voices is caused by the high pitch?

**Tebaldi:** In my opinion, yes. By now I've heard so many of these voices. I was involved in judging some competitions but I don't go anymore because I don't like certain things—because with too many judges, it is hard to reach agreement on voice. Then there are those who judge by inexact standards—not like one who has sung and is competent to judge a voice. I was so enraged that I threw up my hands. It's painful.

In fact, let's see what comes out of these competitions. They give prizes because they wish to: not to do so would be to slacken the public's interest in international competitions. For example, they get nervous thinking: "It's been three years since we've given a first prize; this year we must give it." But what kind of reasoning is that? You must give the prize? This I don't understand.

Italy is crammed with international competitions; would that there were some national ones with all the young people who love to sing who still exist today in Italy. Life in the theatre, as well as outside it, has become based on money; it's become routine; something to make a buck.

I don't want to say "In my day"—my career spanned 33

**RENATA TEBALDI**, shown here in one of her favorite roles, the title role of Cilea's *Adriana Lecouvreur*, is one of the most celebrated "spinto" sopranos of the twentieth century. She was born in Pesaro in 1922 and went to live at an early age with her mother and maternal grandparents in Langhirano, near Parma. Her first musical instruction came from her mother, a singer, and her father, a 'cellist by profession. Her thorough vocal training came from soprano Carmen Melis in Pesaro.

Her operatic debut was in 1944 in Boito's *Mefistofele*. In 1946, she was chosen by Toscanini for the reopening of La Scala opera house in 1946, and performed there regularly in 1946-54. Besides performing regularly with La Scala (1949-54), she debuted at Covent Gardens, London in 1950 and sang with opera companies in Chicago (1955-69) and with New York's Metropolitan Opera (1955-73).

Her beautifully trained and exceptionally powerful "bel canto" voice has been outstanding especially in Verdi roles such as Violetta (*La Traviata*), Aida, and Desdemona (*Otello*).



The interview published here was conducted by representatives of the Schiller Institute in Europe and was originally published by the West German magazine of statescraft, science, and art, *Ibykus*, founded by Helga Zepp-LaRouche.

years—but we had a different spirit. Perhaps today's should also have a different spirit, but they are constrained in so many ways to do so many things that they don't want. It's not right that a theatre director or conductor should crush the personality of someone. You can't make music with a metronome; nor can a conductor demand that you follow his tempo. A conductor is in the service of the orchestra, of the stage—not vice versa. They must work together. Only thus does one enjoy singing. (They even beat the pause, how can this be possible?)

**Q:** The same is true of opera theatre directors.

**Tebaldi:** The first or second plague. It's as if some fine day we were to go to the Louvre, and out of boredom of always seeing the Mona Lisa, with that smile, we painted a moustache on her. Well, why do we have to let certain unbalanced—and unbalanced they are—touch the sublimity of Verdi's or Puccini's music? And must the unfortunate Ken Russell be given the chance to set "Madame Butterfly" in a bordello? They don't even read the score.

Today there are so many young people who go to the opera, why don't we give them a performance as it should be done? If not, they play the record at home and say: "But what is it that we went to hear?" From a recording they hear a particular color, but when they go to the opera, they hear tiny voices which would be dramatic sopranos. Then they ask each other, "Are they singing or not?"

This business of recordings is also robbery. You have to take your hat off to the technicians who perform miracles—

but it stops there. It's just as well that they put out pirated recordings with musical and vocal mistakes, but they are recordings made from live performances, or from the period when I was beginning. To find an outfit that will record live, probably only Riccardo Muti could do it—three or four years ago it was already difficult. The conductor records all the orchestra parts; then the singers arrive in their own sweet time and record with headphones. Naturally, finding the tempo already pre-set.

**Q:** How long have they been recording this way?

**Tebaldi:** Three or four years. Now with the digital, who knows what will happen.

**Q:** You can get a sense of this when you look, for example, for rare records of [Pablo] Casals, [Alfred] Cortot, and [Paul] Thibaud, which are no longer on the market because "they don't sell." It seems that the record companies and the conductors who promote the Karajan-types, are doing their best to make traditional music go out of circulation.

**Tebaldi:** Yes, but it cannot go on. For example, three or four years ago, when Mario del Monaco was still alive, we had a discussion on tuning that went on for days and days at Sirmione. We talked about everything; even sound technicians came. It was organized by Zecchillo.

**Q:** Did you come to some kind of conclusion?

**Tebaldi:** No. Some said that you can't turn back the clock; things are this way now, and yet you have to accept them. I

know certain artists, on the other hand—I won't mention names—who no longer go to sing in Vienna because they get lost there. If they are not coloratura "sopranini," but heavy voices, they can't manage it.

**Q:** How did you study when you began to sing?

**Tebaldi:** It was hard work. I, for example, studied with Carmen Melis who was able to tell me about breathing, support, and putting the sound in "the mask." But you know today there are so many teachers who tell their students that they have to stop the sound here [indicating the palate]. They don't let the sound go up—which it must do.

**Q:** Do you know that recently Placido Domingo gave an interview to *Die Welt* in which he asked for a lowering of pitch, saying that it's time they did something?

**Tebaldi:** I believe it. No one can hold out any longer. Everyone agrees.

**Q:** The astonishing thing is that everyone's in agreement, yet nothing has been done.

**Tebaldi:** You know they invited me to Strasbourg. I was supposed to go and say all the things I've just said to you. I was going to say all this, about the theatre directors, and the way they are massacring our opera. But I am shy. I might still do it, though, because I get so worked up when I talk of these things.



**SEVEN DAYS IN SPACE**  
(A WEEK ABOARD SPACE SHUTTLE "DISCOVERY")

The first video documentary shot in outer space! Launch into orbit on a tour of the Space Shuttle, guided by the astronauts and controllers of the mission that returned two malfunctioning satellites to Earth! • 88 minutes of being there! • 16 pages of background notes • Narrated by the crew of mission 51-A

**HV**  
HALCYON VIDEO

Order with check or m.o. for (U.S.) \$32.95 ppd.

HALCYON FILMS AND VIDEO  
110 BEACH RD. BOX 15  
KINGS POINT, N.Y. 11024

or call  
1-800-426-0582  
m.c. or visa accepted

*Seven Days in Space* is narrated, in part, by Rick Hauck, the scheduled commander of the next Space Shuttle mission. Satisfaction guaranteed or money refunded.

**Now Available by Subscription**

# Weekly EIR Audio Reports Cassettes

- News Analysis Reports
- Exclusive Interviews

**\$500/Year**

Make checks payable to:  
EIR News Service, P.O. Box 17390  
Washington, D.C. 20041-0390  
Attn: Press

MasterCard and Visa Accepted.

## How fast will we get to Mars?



## What will we eat on the Moon?

Find out in *21st Century Science & Technology*, a new magazine published by the former editors of *Fusion*.

Individual subscriptions  
Domestic (including Canada and Mexico)  
 1 year (6 issues) \$20      Foreign airmail  
 2 years (12 issues) \$38       1 year (6 issues) \$40

# 21<sup>st</sup> CENTURY SCIENCE & TECHNOLOGY

Make check or money order payable to **21st Century** and send to  
21st Century Dept. E  
P.O. Box 65473 Washington, D.C. 20035

## Colombia hostage to drug mafia 'extraditables'

by Robyn Quijano

At 7 a.m. on Jan. 25, 1988, the "extraditables," the Medellín Cocaine Cartel bosses, kidnaped Colombia's attorney general, Carlos Mauro Hoyos Jiménez, in a shoot-out that left his two bodyguards dead. One week earlier, the drug mob had kidnaped the front-running candidate for mayor of Bogotá, Andrés Pastrana, from his campaign headquarters.

On the afternoon of the 25th, police rescued Pastrana, who was being held at the ranch of Gonzalo Rodríguez Gacha, wanted for murder and drug trafficking by U.S. authorities. Hours later the "extraditables" announced to the Toledar radio chain that "we have executed the attorney general for the crime of treason to the fatherland." They gave the exact place the body would be found, near the Rodríguez Gacha ranch. "The war goes on. I repeat, the war goes on," their spokesman threatened.

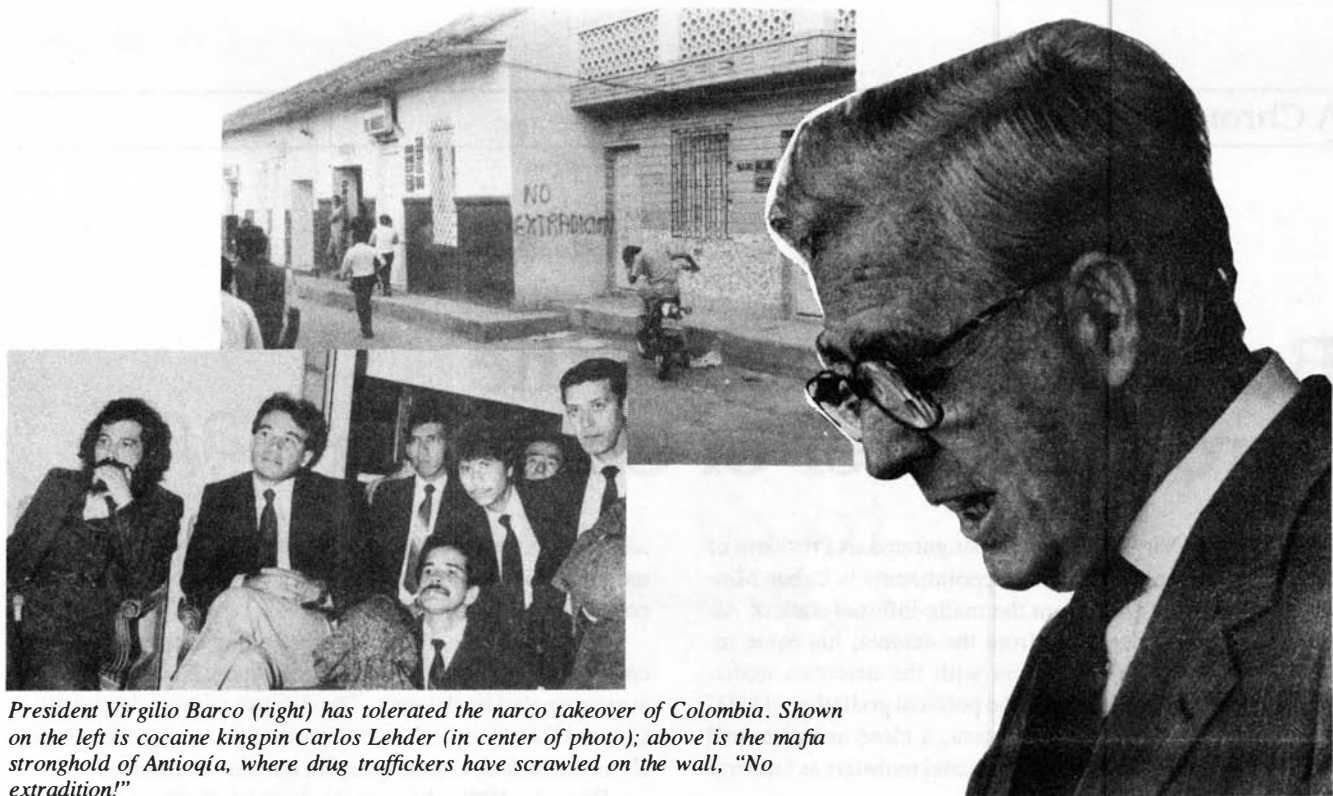
Two days before, in a communiqué on their negotiating position with Pastrana's father, ex-President Misael Pastrana and his family, the kidnapers declared "total war" against all those in agreement with the extradition treaty. "We will try them as traitors and sell-outs," said the communiqué, which also demanded that Pastrana's TV news station cover "citizens who are not in agreement with the surrender of Colombians to North American imperialism."

The "extraditables" had taken the Colombian nation hostage. Their demands: the end of any attempt to extradite the drug traffickers who are facing charges in the United States, and the abandonment of any effort to confiscate the multibillion-dollar properties of the mob.

The attorney general was found blindfolded, tied, and handcuffed, and shot several times in the head. Anyone who threatens the narcotics mafia's takeover of the nation will get the same treatment, they say. Carlos Mauro Hoyos had said that the extradition treaty had to be enforced after Medellín Cartel boss Jorge Luis Ochoa walked out of jail on Dec. 31, having bought judges, lawyers, and jailers. "The country is besieged by fear, and we cannot allow justice to be besieged by the power of money," he warned two weeks before he was executed.

The "extraditables" announced their intentions to blackmail the nation two





President Virgilio Barco (right) has tolerated the narco takeover of Colombia. Shown on the left is cocaine kingpin Carlos Lehder (in center of photo); above is the mafia stronghold of Antioqía, where drug traffickers have scrawled on the wall, "No extradition!"

months before. On Nov. 23, immediately following the arrest of Medellín Cartel chief Jorge Luis Ochoa, the cartel issued a warning that, in the event of Ochoa's extradition to the United States, it would "declare total and absolute war against the entire political and leadership class of the country. We will execute, without any considerations of any kind, all leading political chiefs of the political parties."

The M-19 narco-terrorists, who were originally thought to have carried out the Pastrana kidnaping for the mafia, issued a communiqué on Jan. 22, denouncing the extradition treaty: "The oligarchy is presenting a pathetic scene, groveling on its knees before the will of the U.S." The communiqué described the present crisis as "an intense point in relations among those who govern the republic: the drug mafia, the political class, and the U.S. government." The M-19 had been paid \$5 million by the Medellín Cartel for their assault on the Justice Palace in 1985.

Then, too, it was the battle against extradition, in which communist forces joined their "anti-imperialist" drug-trafficking friends in an assault on the nation. But back then, the President, Belisario Betancur, pulled the plug on what was designed to be a drawn-out blackmail of the nation. The military mounted a nearly immediate offensive to retake the Justice building. Instead of international support for fighting war with the arms of war, the international media backed the human rights of terrorists who had been executing Supreme Court Justices one by one while they set fire to the extradition files of the nation.

Today President Barco has demonstrated indecision and paralysis, in effect, tolerance of the narco takeover of the

nation. In a nationally televised speech on Jan. 26, President Barco presented his plan to "defend democracy," in the wake of the assassination of the attorney general. He did not mention either the extradition treaty, nor the decree to confiscate illicit wealth which the mafia so fears.

On Jan. 12, Enrique Gómez Hurtado, Conservative Party leader, called upon Barco to head up a "civilian coup" to take control of the nation's institutions corrupted by the drug lords, and impose "a state of siege, as in a state of war," to end the "absolute dissolution of the nation." While Barco rejected this call, the population is demanding moral courageous leadership to deliver them from the terror of the mob's impunity. But Barco has instead expressed fear of falling into "totalitarian" measures against a satanic force that has openly declared total war against a nation and a civilization.

This is the "final offensive" of an invading international force. The Medellín Cartel is a crucial link in Moscow's drive to destroy the West from within. If the "extraditables" succeed in blackmailing the Colombian nation into surrendering to their unconditional demands, the takeover of the nation by the Moscow-run narco-terrorist guerrillas is assured.

The battle to save Colombia from takeover by this international force, is thus a battle that requires the backing of every nation of the West. Without the complicity of the international banking system that depends on nearly \$500 billion of dirty drug money a year, the infrastructure of the mafia, and of the Moscow-run narco-terrorists would soon collapse. Any Western nation that truly wishes to end the drug scourge must start by jailing the bankers that launder the blood-stained profits of Dope, Incorporated.

# Barco's tolerance of the narco-takeover of Colombia

**Aug. 7, 1986:** Virgilio Barco is inaugurated as President of Colombia. Among his cabinet appointments is Labor Minister José Name Terán, from the mafia-infested state of Atlántico. After his departure from the cabinet, his name repeatedly surfaces in connection with the narcotics mafia. Name Terán is also considered the political godfather of UTC labor union president Victor Acosta, a close associate and business partner of such Medellín Cartel mobsters as Gilberto Rodríguez Orejuela.

**Aug. 15, 1986:** Jorge Luis Ochoa, one of the five bosses of the cocaine-trafficker Medellín Cartel, is "provisionally" released from jail after his extradition from Spain to Colombia. Ochoa disappears.

**Oct. 21, 1986:** Barco administration decrees a wide-ranging tax reform/amnesty which, according to public statements of Finance Minister Gaviria Trujillo, would enable the drug traffickers to repatriate their billions without paying taxes or explaining the origin of their dollars.

**October 1986:** Justice ministry's National Narcotics Council yields to the arguments of the pro-drug environmen-

talist lobby, and recommends the suspension of Colombia's model herbicide eradication program against marijuana and coca cultivation.

**Nov. 17, 1986:** The country's leading anti-narcotics law enforcement official, police colonel Jaime Ramírez Gómez, is assassinated by the mob. The defense ministry later denies Colonel Ramírez posthumous promotion to brigadier general, as scheduled, claiming he did not die "in combat."

**Dec. 1, 1986:** Magistrate Samuel Buitrago Hurtado, president of Colombia's Council of State (a presidential advisory body on constitutional matters), goes on national television to oppose the standing U.S.-Colombia extradition treaty as "unconstitutional" and "unpatriotic," and to urge the legalization of the drug trade. Attorney General Carlos Mauro Hoyos responded to Buitrago's arguments with the statement, "This is no way to end the drug trade." President Barco is silent on the opinions of his leading constitutional adviser.

**Dec. 12, 1986:** The Supreme Court overturns the 1979 U.S.-Colombia Extradition Treaty, on a legal technicality. President Barco reinstates it on his personal authorization, but fails to re-submit it to Congress for approval, which would have made it legally inviolable.

**February 1987:** The ruling Liberal Party, to which President Barco is beholden, chooses as its five-man directorate individuals who, each and every one, are either mobsters themselves, known to be on the mafia's payroll, or are openly pro-drug legalization and/or anti-extradition. The daily *El Espectador* editorialized that the party had fallen into the camp of "lack of moral conviction, unexplained links to crime, and intellectual abandonment." President Barco is silent.

**February 1987:** The Supreme Court overturns an emergency decree to place the trials of drug traffickers under military jurisdiction.

**June 1986:** President Barco rejects U.S. extradition requests on three wanted drug traffickers, one of whom is Gilberto Rodríguez Orejuela, partner to Jorge Luis Ochoa and a top financier of the Medellín Cartel.

**June 25, 1987:** The Supreme Court succeeds in breaking a tied 12-12 vote on the "constitutionality" of the U.S.-Col-



A silent march in honor of slain editor Guillermo Cano, in Bogotá Dec. 15, 1986. The mafia murderers got off scot-free.

ombia extradition treaty, and defeats it.

**July 23, 1987:** The Barco government revokes arrest warrants for purposes of extradition against the heads of the Medellín Cartel.

**July 1987:** A judge finds “insufficient evidence” to accuse the cartel bosses of the April 1984 murder of Justice Minister Rodrigo Lara Bonilla.

Narco-financier Gilberto Rodríguez Orejuela is found innocent of drug-trafficking charges in a fixed trial, and is released from jail.

Secretary to the President Germán Montoya is accused of business links to drug trafficker Gilberto Rodríguez Orejuela.

**September 1987:** In the wake of a dramatic escalation of narco-terrorist violence in the country, Colombian military demands for increased funding for training and equipment to meet these threats are rejected by the finance ministry as a potential “trauma” to the government’s IMF-dictated fiscal policies.

**October-November 1987:** President Barco drops his demands that the narco-terrorists “disarm and demobilize” before renewing “dialogue” with them. This, despite their October bombing of the defense ministry as part of their campaign to force an end to the longstanding state of siege, and a “civilianization” of the nation’s intelligence service, police force, and defense ministry.

**November 1987:** A judge finds “insufficient evidence” to indict the leaders of the Medellín Cartel for the December 1986 murder of *El Espectador* editor-in-chief and anti-drug spokesman Guillermo Cano.

**Nov. 23, 1987:** Just two days after the stunning capture of Medellín Cartel chieftain Jorge Luis Ochoa, the Barco government revokes an arrest warrant against him, accepting Ochoa lawyers’ arguments that the non-validity of the extradition treaty nullifies the arrest order.

**Dec. 19, 1987:** The Barco government is forced to deny widespread rumors that it had authorized negotiations with the Medellín Cartel, based on an offer of amnesty in exchange for the mafia’s payment of the foreign debt.

**Dec. 30, 1987:** Despite several months remaining of a jail sentence on an animal contraband charge, and despite a standing U.S. extradition petition against him for drug trafficking, murder, and racketeering, Jorge Luis Ochoa is released from a maximum-security jail, on a legally secured writ of *habeas corpus* which the justice ministry had been informed of at least 24 hours earlier.

**Jan. 4, 1988:** Justice Minister Enrique Low Murtra goes on national television to present the following contradictory list of excuses for Ochoa’s release: 1) His orders that Ochoa not be released were “disobeyed”; 2) due to the constitutional mandate of “separation of powers,” his ministry was in any case powerless to revoke Ochoa’s release papers which were “legally” secured from a judge; and 3) the judge who ordered Ochoa’s release had “lacked the competency” to sign the release papers.

## The war against extradition

Attorney General Carlos Mauro Hoyos Jiménez was not the first Colombian official executed for his support for extradition. For 10 years, the chiefs of the Medellín Cartel have used extortion, bribery, terror, and extermination to crush any and all efforts to implement an extradition agreement between the United States and Colombia, under whose terms criminals wanted on drug-trafficking charges can be deported to face trial in the United States.

Two leading Colombian officials, Justice Minister Rodrigo Lara Bonilla and his right-hand aide, Col. Jaime Ramírez Gómez, argued that, because it is extradition that the drug traffickers fear, extradition must be carried out. “While the Colombian judges fear the drug traffickers, the latter only fear the U.S. judges,” Lara Bonilla’s collaborators report the minister repeated incessantly.

Speaking to a group of reporters in early November 1986, Ramírez repeated: “In this matter of extradition, no one should be fooled into believing that we are dealing with anything less than the key factor in the fight against drugs. . . . The day that [the treaty] is annulled, they will have won the war.” *El Espectador* published his interview posthumously on Nov. 19, 1986.

Both men were murdered by drug mafia hit squads: Lara Bonilla on April 30, 1984, Ramírez Gómez on Nov. 17, 1986.

### Methods of terror

When, after Lara Bonilla’s assassination, President Belisario Betancur signed extradition orders, which had been sitting on his desk, for the top drug traffickers, the mafia undertook a legal offensive against the treaty. While Medellín Cartel lawyers argued that the Supreme Court must overturn the 1979 extradition treaty with the United States as unconstitutional, and thus bury it permanently, the cartel’s military apparatus deployed against the Supreme Court. For over a year, each Supreme Court judge received death threats from the mafia—daily, sometimes by the hour.

On Nov. 6, 1985, the Colombian Supreme Court met in the Justice Palace to consider the legal challenge to the treaty brought by Ochoa’s lawyers. As they gathered to meet, the terrorist M-19 group seized the palace.

“It was evident that the guerrillas sought above all to reach the fourth floor of the palace, where the offices of the magistrates of the Supreme Court’s Constitutional Tribunal and those of the Criminal Annulment Court, were located,” reported one of the judges who survived. The head of the

Court's Constitutional branch, Alfonso Patiño Roselli, had prepared a brief arguing that the mafia's petition be rejected, his wife was later to reveal.

One-half of the Supreme Court—12 judges in all—was assassinated in the M-19's assault on the Justice Palace, including each of the Constitutional Tribunal judges.

New judges were appointed; the death threats from the group of "extraditables," as the cocaine trade's most wanted men now called themselves, continued. In 1986, two more Supreme Court judges were assassinated, both of whom were involved in the extradition fight.

On July 31, 1986, mafia hit squads gunned down Magistrate Hernando Baquero Borda on the streets of Bogota. And on Oct. 17, 1986, Magistrate Luis Enrique Aldana Roza died of "complications" from a heart attack, suffered after a coffin was sent to his home with the message, "This is for you," attached. Flown to Houston immediately following his non-fatal heart attack, Aldana underwent emergency surgery but, upon leaving the operating room, "his oxygen tubes were mysteriously cut, and he died immediately," Colombian journalist Fabio Castillo reports in his book, *The Horsemen of Cocaine*.

On Dec. 1, Magistrate Samuel Buitrago Hurtado of the Council of State, a presidential advisory body on constitutional matters, summarized the narcotics cartel's case in a nationally broadcast television interview. He argued that the government's continued persecution of drug traffickers had led Colombia into chaos and violence, that extradition of Colombian nationals on trafficking charges is "unconstitutional," "repulsive," and "unpatriotic," and that the government should instead legalize cocaine and marijuana traffic, in order to increase its tax base.

"We have been playing the role of useful idiots, because we are conducting a campaign [against drugs] with a high social cost, and what have we Colombians received in return? The threats are against very important Colombians, above all against those who administer justice," Buitrago stated.

On Dec. 13, 1986, the terrorized Supreme Court issued a new decision, overturning the extradition treaty on a legal technicality. Several days later, President Barco personally authorized the reactivation of the extradition law, but has never once implemented it during his administration. The February 1987 extradition of cocaine kingpin Carlos Lehder had been authorized by the previous Betancur administration. Arrest warrants based on U.S. extradition petitions against seven other leading Colombian narcotics traffickers were revoked in July 1987, immediately after the Supreme Court issued its final ruling declaring the extradition treaty unconstitutional.

Attorney General Hoyos renewed the fight for the extradition treaty, after Ochoa walked to liberty. On Jan. 4, 1988, he told the press that extradition was the only thing the traffickers feared, and that the treaty should therefore be reestablished immediately. The mafia killed him. Their message:

No high government official will ever again be allowed to support extradition.

The judicial and executive branches of government have not been the only targets of the cartel's warfare. The message of terror has been delivered to all public figures—politicians, journalists, clerics—who continued to demand war against the narcotics business.

On Dec. 17, 1986, exactly one month after Ramírez's killing, a mafia team assassinated Guillermo Cano, the owner of *El Espectador*, and the most renowned journalist in the country who had not feared to sign his name to repeated editorials calling for extradition and war against the narcotics mafia. One of his last editorials implicitly indicted the "citizens above suspicion" who fronted for the mob: "In Colombia, we are lowering our guard against organized crime. Each day we are increasingly shocked to discover that in Congress, bills are presented which are going to favor the drug traffickers; that the miracle prescription is to legalize the drug trade; that the panacea is Church dialogue with the drug-trafficking kingpins. We are on the verge of coexisting with organized crime, with accepting it."

### **Moscow's terrorists offer support**

The narcotics mafia has simultaneously waged a war of propaganda, bankrolling lawyers, journalists, and politicians to organize support for the mafia's arguments that an extradition treaty violates "sovereignty." A May 6, 1986 "Letter to Colombian Reporters and Communications Media," signed by 35 top drug traffickers, wanted by international police or in jail, summarized the argument of the drug mafia against extradition. The letter, published in *El Tiempo*, was released three weeks before the presidential elections.

The traffickers argued:

"1) We don't understand how Colombia, being a sovereign, democratic, and independent nation, had to resort to foreign and alien laws to judge its children, since, as can be clearly seen with the signing of this extradition treaty and the handing over of nationals to the U.S. government, we are allowing Colombia's national sovereignty to be violated;

"2) It is almost incredible to have to accept that on the mere say-so of some people who have infiltrated our country [DEA agents], we are to be turned over to foreign judges. . . .

"3) The treaty is unconstitutional and in clear violation of human rights. . . ."

The letter "requests" from the government:

"the right to be judged in the Republic of Colombia, by Colombian judges, in Colombian jails," and "a national plebiscite be immediately held for the purpose of carrying out a total revision of the so-called Extradition Treaty."

That argument has been echoed by politicians from every party, but following the release of Ochoa, the political group which has stepped forward with promises that it will assure those demands will be met, is Colombia's Communist Party. Orders have been issued by the party's Central Committee,

to present the defeat of extradition as the “urgent contemporary task” for the “Colombian people.” Marching orders to the Communists’ cadre and supporters to enforce the mafia demands have been a dominant theme in the Communist Party’s paper, *Voz*, since Ochoa’s release, as the following samples exemplify.

a. *Voz*, Jan. 7, 1988.

“We are struck by the fickleness of the government, which first dictated an arrest warrant against Ochoa, and then rescinded it, and now, under U.S. pressure, turns around and issues arrest warrants against a whole group of citizens. . . . Thus it is proven that Barco does not conduct policy, but rather the whim of whatever is imposed upon him by the U.S. . . . Instead of getting down on his knees, Barco should assume an upright behavior. And if he does not, let our people do so.”

b. *Voz*, Jan. 7, 1988.

Column by editor Manuel Cepeda, entitled, “No Mr. Reagan, Colombia Is Not a Yankee Colony,” references the U.S. reaction to the freeing of Ochoa.

“The government of the United States has given the aforementioned slap in the face to this little government, this submissive payer of the foreign debt, which has paved the road for the DEA, which receives [U.S.] Ambassador Gillespie at any hour of the night. . . . In Colombia, we tolerate Barco becoming daily more ambivalent, more weak-willed, more submissive to Washington. . . . [Barco] has now proven that in his hands, sovereignty is endangered. The crisis which Barco reveals, is that of the entire ruling establishment.”

c. *Voz*, Jan. 14, 1988.

The lead editorial, signed by Communist Party General Secretary Gilberto Vieira, states:

“We Communists have taken a position against the extradition of nationals, for reasons of principle. . . . The government, at the beginning of 1988, has issued arrest orders for the purpose of extradition against five supposed members of the so-called Medellín Cartel, in response to an official U.S. request. . . . [which is] no longer based upon the Extradition Treaty, which lost all juridical weight. . . . but on the multi-lateral agreement on extradition agreed to in Montevideo in 1933. . . . All of which reflects an ambiguous attitude which will inevitably clash with the norms of a state of law. . . .

“We recognize the gravity of the drug-running problem, which cannot be won with simple repressive measures. We consider it absurd and counterproductive to assault peasants who cultivate coca. . . . We consider the government’s collaboration with the DEA in bombarding marijuana and coca crops with poisons an act of anti-ecological barbarity. . . .

“We energetically reject the meddling of the United States in the internal affairs of Colombia on the pretext of drug

trafficking. This interference, ever more aggressive, poses to the Colombian people the defense of national sovereignty as an urgent contemporary task.”

d. *Voz*, Jan. 21, 1988.

An unidentified Communist author claims that in the state of Alabama, in the United States, “a large number of Colombians can be found . . . receiving training by the DEA [Drug Enforcement Administration]. It is said that the new commands are being distributed [throughout Colombia]. . . . Without asking for visas, the DEA already has its quarters in Colombia. . . . Thus, we have the pirate presence of the U.S.A. in Colombia. Behind the persecution of local narcos (to leave to the great narcos of the North the monopoly over the drug market, without the disturbing presence of the Colombian kingpins), comes the other: the offensive against the democratic and revolutionary movement.”

The Communist Party’s apparatus deployed against extradition, overlaps the drug mafia’s apparatus itself. Two cases are exemplary: that of lawyer Luis Carlos Pérez, and of Bogota City Councilwoman Clara López Obregón.

Pérez, a former president of the National University in Bogota, a lawyer, and a longstanding “fellow-traveler” of the Colombian Communist Party, appears prominently in the stable of lawyers employed by the Ochoa family. In fact, Pérez’s name appears on a recently uncovered Ochoa family payroll, which includes at least one senator, judges, and personnel of the Interior Ministry, among others. According to that payroll, Pérez received at least 50 million pesos for his legal work prior to the November 1987 capture of Jorge Luis Ochoa. Pérez admits to working for Ochoa’s defense, but claims he does so as a matter of principle, and not for money.

In a Jan. 10 interview with *El Tiempo*, Pérez insisted that the extradition treaty violates “the principle of reciprocity, that the U.S. imposes excessive penalties such as life-time incarceration, whereas Colombia has a maximum penalty of 30 years. . . . It is, to a certain degree, treason to the fatherland to order a Colombian handed over,” he argued. Pérez also explicitly argued against confiscation of drug mafiosi’s property, as “a violation of Article 26 of the Constitution.”

The Communist Party’s electoral front, the Patriotic Union (UP), has taken up the campaign. The UP’s candidate for mayor of Bogota is Clara López Obregón, niece of former President Alfonso López Michelsen. In an interview published by *El Espectador* on Jan. 11, 1988, Clara López Obregón called the freeing of Ochoa a demonstration of the corruption of the government, but argued, “I think, however, that a distinction must be made between the money used for the bribe, and legitimate exercise of their profession by the defending lawyers. I also think that it is necessary to explore and discuss further the extradition question, since I share the judgment of Dr. Luis Carlos Pérez that it violates national sovereignty.”

# A 15-point war-plan to stop drug traffic

*On March 13, 1985, a message from Lyndon LaRouche was delivered to a Mexico City conference on the illegal drug traffic. The following part of his paper was entitled, "My war-plan."*

1. What we are fighting, is not only the effects of the use of these drugs on their victims. The international drug traffic has become an evil and powerful government in its own right. It represents today a financial, political, and military power greater than that of entire nations within the Americas. It is a government which is making war against civilized nations, a government upon which we must declare war, a war which we must fight with the weapons of war, and a war which we must win in the same spirit the United States fought for the unconditional defeat of Nazism between 1941 and 1945.

2. Law-enforcement methods must support the military side of the War on Drugs. The mandate given to law-enforcement forces deployed in support of this war, must be the principle that collaboration with the drug traffic or with the financier or political forces of the international drug traffickers, is treason in time of war.

a) Any person caught in trafficking of drugs, is to be classed as either a traitor in time of war, or as the foreign spy of an enemy power.

b) Any person purchasing unlawful substances, or advocating the legalization of traffic in such substances, or advocating leniency in anti-drug military or law-enforcement policy toward the production or trafficking in drugs, is guilty of the crime of giving aid and comfort to the enemy in time of war.

3. A treaty of alliance for conduct of war, should be established between the United States and the governments of Ibero-American states which join the War on Drugs alliance to which the President of Mexico has subscribed. Other states should be encouraged to join that military alliance.

4. Under the auspices of this treaty, provisions for actions of a joint military command should be elaborated. These provisions should define principles of common action, to the effect that necessary forms of joint military and law-enforcement action do not subvert the national sovereignty of any of the allied nations on whose territory military operations are conducted. These provisions should include the following:

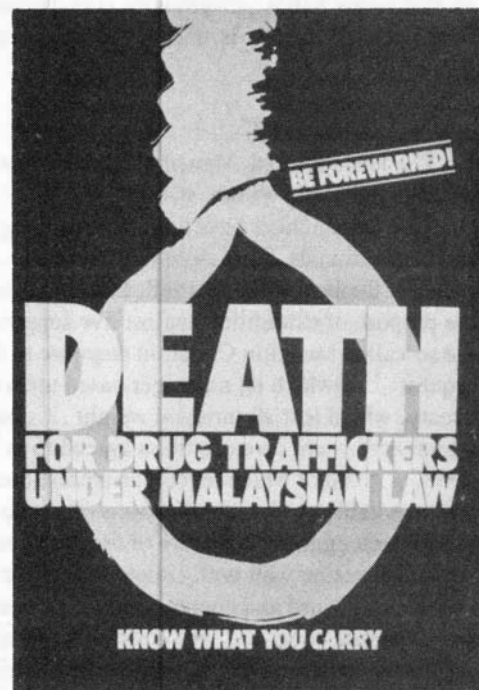
a) The establishment of bilateral military task-forces, pairwise, among the allied nations;

b) The establishment of a Common Command, assigned to provide specified classes of assistance, as such may be requested by designated agencies of either of any of the member states, or of the bilateral command of any two states;

c) Under the Common Command, there should be established a central anti-drug intelligence agency, operating in



Colombian tanks guard the central square in Bogotá.



Any person caught trafficking drugs should be classed as a traitor in time of war: a poster in Malaysia.

the mode of the intelligence and planning function of a military general staff, and providing the functions of a combat war-room;

d) Rules governing the activities of foreign nationals assigned to provide technical advice and services on the sovereign territory of members of the alliance.

5. In general, insofar as each member nation has the means to do so, military and related actions of warfare against targets of the War on Drugs, should be conducted by assigned forces of the nation on whose territory the action occurs. It were preferred, where practicable, to provide the member nation essential supplementary equipment and support personnel, rather than have foreign technical-assistance personnel engaged in combat-functions. Insofar as possible:

a) Combat military-type functions of foreign personnel supplied should be restricted to operation of detection systems, and to operation of certain types of aircraft and anti-aircraft systems provided to supplement the capabilities of national forces; and

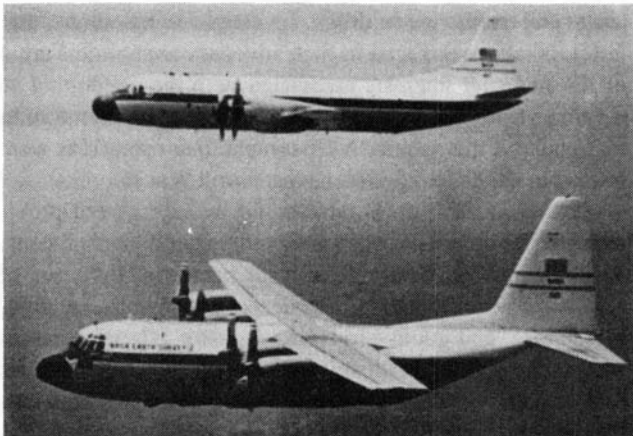
b) Reasonable extension of intelligence technical advice and services supplied as allied personnel to appropriate ele-

ments of field operations.

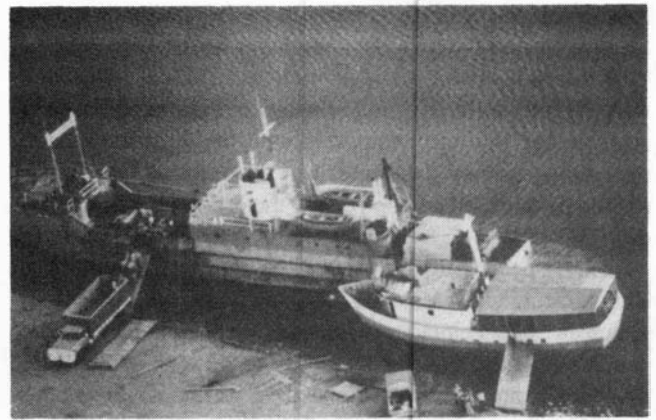
6. Technologies appropriate to detection and confirmation of growing, processing, and transport of drugs, including satellite-based and aircraft-based systems of detection, should be supplied with assistance of the United States. As soon as the growing of a relevant crop is confirmed for any area, military airborne assault should be deployed immediately for the destruction of that crop, and military ground-forces with close air-support deployed to inspect the same area and to conduct such supplementary operations as may be required. The object is to eliminate every field of marijuana, opium, and cocaine, in the Americas, excepting those fields properly licensed by governments.

7. With aid of the same technologies, processing-centers must be detected and confirmed, and each destroyed promptly in the same manner as fields growing relevant crops.

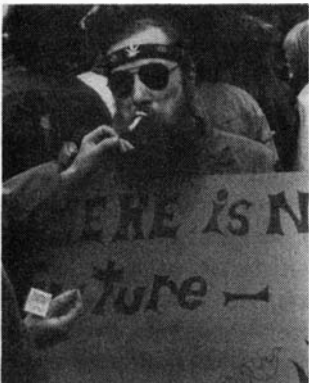
8. Borders among the allied nations, and borders with other nations, must be virtually hermetically sealed against drug traffic across borders. All unlogged aircraft flying across borders or across the Caribbean waters, which fail to land according to instructions, are to be shot down by military



*Technologies which will help the war on drugs should be supplied with the assistance of the U.S.A.: remote sensing aircraft for use in drug enforcement.*



*Drug traffickers loading their cargo aboard ships for export.*



*Any person purchasing narcotics or advocating their legalization, is guilty of the crime of giving aid and comfort to the enemy.*



*Merrill Lynch in New York City, one of the financial centers caught laundering drug money.*

Javier Almarino, DEA, Stuart Lewis, Carlos de Hoyos

action. A thorough search of all sea, truck, rail, and other transport, including inbound container traffic, is to be effected at all borders and other points of customs-inspection. Massive concentration with aid of military forces must be made in border-crossing areas, and along relevant arteries of internal highway and water-borne transport.

9. A system of total regulation of financial institutions, to the effect of detecting deposits, outbound transfers, and inbound transfer of funds, which might be reasonably suspected of being funds secured from drug trafficking, must be established and maintained.

10. All real-estate, business enterprises, financial institutions, and personal funds, shown to be employed in the growing, processing, transport, or sale of unlawful drugs, should be taken into military custody immediately, and confiscated in the manner of military actions in time of war. All business and ownership records of entities used by the drug traffickers, and all persons associated with operations and ownership of such entities, should be classed either as suspects or material witnesses.

11. The primary objective of the War on Drugs, is military in nature: to destroy the enemy quasi-state, the international drug trafficking interest, by destroying or confiscating that quasi-state's economic and financial resources, by disbanding business and political associations associated with the drug trafficking interest, by confiscating the wealth accumulated through complicity with the drug traffickers' operations, and by detaining, as "prisoners of war" or as traitors or spies, all persons aiding the drug trafficking interest.

12. Special attention should be concentrated on those banks, insurance enterprises, and other business institutions which are in fact elements of an international financial cartel coordinating the flow of hundreds of billions annually of revenues from the international drug traffic. Such entities should be classed as outlaws according to the "crimes against humanity" doctrine elaborated at the postwar Nuremberg Tribunal, and all business relations with such entities should be prohibited according to the terms of prohibition against trading with the enemy in time of war.

13. The conduct of the War on Drugs within the Americas has two general phases. The first object is to eradicate all unlicensed growing of marijuana, opium, and cocaine within the Americas, and to destroy at the same time all principal conduits within the Hemisphere for import and distribution of drugs from major drug-producing regions of other parts of the world. These other areas are, in present order of rank:

a) The Southeast Asia Golden Triangle, still the major and growing source of opium and its derivatives;

b) The Golden Crescent, which is a much-smaller producer than the Golden Triangle, but which has growing importance as a channel for conduiting Golden Triangle opium into the Mediterranean drug-conduits;

c) The recently rapid revival of opium production in India and Sri Lanka, a revival of the old British East India Company opium production;

d) The increase of production of drugs in parts of Africa.

Once all significant production of drugs in the Americas is exterminated, the War on Drugs enters a second phase, in which the war concentrates on combatting the conduiting of drugs from sources outside the Hemisphere.

14. One of the worst problems we continue to face in combatting drug trafficking, especially since political developments of the 1977-81 period, is the increasing corruption of governmental agencies and personnel, as well as influential political factions, by politically powerful financial interests associated with either the drug trafficking as such, or powerful financial and business interests associated with conduiting the revenues of the drug trafficking. For this and related reasons, ordinary law-enforcement methods of combatting the drug traffic fail. In addition to corruption of governmental agencies, the drug traffickers are protected by the growth of powerful groups which advocate either legalization of the drug traffic, or which campaign more or less efficiently to prevent effective forms of enforcement of laws against the usage and trafficking in drugs. Investigation has shown that the associations engaged in such advocacy are political arms of the financial interests associated with the conduiting of revenues from the drug traffic, and that they are therefore to be treated in the manner Nazi-sympathizer operations were treated in the United States during World War II.

15. The War on Drugs should include agreed provisions for allotment of confiscated billions of dollars of assets of the drug trafficking interests to beneficial purposes of economic development, in basic economic infrastructure, agriculture, and goods-producing industry. These measures should apply the right of sovereign states to taking title of the foreign as well as domestic holdings of their nationals, respecting the lawful obligations of those nationals to the state. The fact that ill-gotten gains are transferred to accounts in foreign banks, or real-estate holdings in foreign nations, does not place those holdings beyond reach of recovery by the state of that national.

On the issue of the international drug traffic, all honorable governments of Central and South America share a common purpose and avowed common interest with the government of the United States. By fighting this necessary war, as allies, we may reasonably hope to improve greatly the cooperation among the allies, in many important matters beyond the immediate issue of this war itself. Whenever allies join, as comrades-in-arms, to fight a great evil, this often proves itself the best way to promote a sense of common interest and common purpose in other matters. Many difficulties among the states of this Hemisphere, which have resisted cooperative efforts at solution, should begin to become solvable, as we experience the comradeship of the War on Drugs.



# The narco-terrorist alliance

The alliance between the mafia and the terrorists is neither new, nor limited to the theater of propaganda and psychological warfare. It is the communists' military capability in the country which the mafia needs in order to impose its will. While the alliance is not new, the capability of the narco-terrorists increased sharply over the past year, with the unification of all terrorist organizations, including the M-19 and the Communist Party's Armed Revolutionary Forces of Colombia (FARC), into a central military command, called the Simón Bolívar National Liberation Front.

## M-19

The Cuba-allied M-19 terrorists have never disguised their collaboration with the narcotics mafia. On Dec. 5, 1984, a leader of the Cuba-allied M-19, Iván Marino Ospina, called a Mexico City press conference to announce M-19 support for mafia threats to "kill one American for every Colombian extradited." Said Marino Ospina, "These threats should be carried out throughout the world against the representatives of rapacious imperialism . . . and will serve as the basis for negotiations if some day these traffickers, who are also Colombians . . . use their money to build the nation."

Several weeks later, cocaine czar Carlos Lehder answered Marino Ospina's call: "The M-19 is the only movement that has declared itself against extradition. Iván's call in Mexico is a call for the guerrilla movements to join in the [drug] bonanza."

## FARC

The Communist Party's FARC, the oldest of Colombia's guerrilla movements, was formed over 30 years ago during the period of civil war known as the Violencia. Today, the Moscow-run FARC is the largest insurgent force under arms in Colombia. Together with aboveground Communist leaders, the FARC's guerrilla chieftains insistently proclaim that their strategy is to "defend" the peasants involved in the drug trade. At least half of the FARC's 39 "fronts" operate in coca- and marijuana-growing areas of the country.

"We have no problems with people growing coca. It is not a vice or problem for the people, but for the government," Hermil Lozada, commander of the FARC's Seventh Front told the Colombian newspaper, *El Espectador* on Nov. 2, 1986.

In March 1987, *Semana* magazine asked the head of the FARC, Jacobo Arenas, to respond to charges published in the newspaper, *Solidaridad Iberoamericana*, that his guerrillas finance themselves through the drug trade. He answered:

It is true that in the area of [the Seventh Front] there are coca growers, but the growers are not "narcos" at all. Growers are growers, as they could be of rice or sesame. . . . Those people who say that the coca growers should set about planting banana, corn, yuca—this is blah, blah, blah. A group of crazies speaking stupidities. . . . What we are telling the [coca] growers is: "Comrades, we are not going to prohibit you from sowing, because it is generalized, and besides, we are not the government. Grow it."

The Communist Party and its FARC have not limited their cooperation with the drug trade to passive support. Reports of FARC "protection" and "taxing" of the drug trade go back as far as 1977-78, U.S. Drug Enforcement Administration (DEA) officials report.

In December 1986, Héctor Hurtado, executive member of the Colombian Communist Party, gave his organization's backing to the drug mafia's campaign to end U.S.-Colombian cooperation against narcotics—the number-one issue which the mafia has dedicated its resources to stopping. Hurtado hailed the decision of Colombia's Supreme Court to overturn the U.S.-Colombian extradition treaty (a decision taken at the point of a mafia gun) as unconstitutional, calling it "a matter of sovereignty; we can't let the courts decide our affairs."

## Anti-military march

On Jan. 19, 1987, the Communist Party organized a march of 23,000 peasants in Guaviare, to protest how the military's anti-drug programs in the area had "militarized" the department. Colombia's agriculture minister charged that the march had been organized by the drug traffickers to force a military retreat. Even presidential peace adviser Carlos Ossa Escobar, who had previously denied that narco-terrorism existed, acknowledged the charge, and insisted, "If the guerrillas don't rapidly split from the narcos, they will be corrupted by it and lose."

On June 16, 1987, two hundred FARC terrorists planted land mines in the Colombian jungle province of Caquetá which blew up two army convoy trucks, killing 32 soldiers and officers. This time, presidential counselor Ossa Escobar was emphatic on the drug connection. "In Caguan, the region of Caquetá where the army suffered its ambush, the FARC totally controls the production of coca. . . . The hypothesis that they fear an operation similar to that in Putumayo [army raids on vast coca crops the previous week], and are therefore trying to divert attention with attacks like those of Caquetá, is very probable."

# The politics of usury: The banks' role in narco-terrorism

In May of 1986, Virgilio Barco was elected President of Colombia. In July, Pope John Paul II visited Colombia, and made an open appeal to the Colombian leadership to take personal, moral responsibility for the defeat of usury and narco-terrorism. President Barco, a former World Bank officer, devoted his administration instead to demonstrating his country's credit-worthiness in the eyes of the international banking community.

Thus, in October of 1986, he announced a tax reform/amnesty proposal to permit the repatriation of billions of narco-dollars, "no questions asked." In a Jan. 10, 1988 press conference on the narco-controlled island of San Andrés, Barco told reporters, "Thanks to a good administration, we are respected worldwide for our handling of our debt, for our handling of our finances. We have made a revolutionary tax reform to defend those who work." He also submitted Colombia to formal monitoring by the International Monetary Fund. A leading newspaper was later to editorialize: "The Colombian economy in 1986 had an exceptional performance, thanks to improved prices for coffee and the increase in services income, apparently derived from the drug trade" (*El Espectador*, Jan. 18, 1987).

Colombia has become a prime example of the "symbiosis" that exists between the international narcotics trade and an international banking system currently kept afloat by the billions of dollars in debt repayment and illicit funds pumped through the world financial pipeline. The International Monetary Fund and World Bank have, in fact, repeatedly singled out Colombia as an exemplary debtor nation—the only one in Ibero-America which continues to service both capital and interest on its foreign debt. It is now openly acknowledged that the primary source of Colombia's exchange earnings is the illegal narcotics trade.

While the Colombian drug trade has helped to keep alive an insolvent world banking system, it has also served to create a fabulously wealthy and politically powerful elite inside Colombia, which has threatened the very sovereignty of the country. Before his death, Attorney General Carlos Mauro Hoyos had gone on record urging the government to trace the laundering of drug traffickers' funds, and to shut down those mechanisms within the banking system which permitted the incorporation of the drug trade within legal

national economies.

Hoyos knew whereof he spoke. Investigations following the Jan. 13, 1988 bombing of a fortified stronghold in Medellín, belonging to cartel boss Pablo Escobar, revealed at least 96 properties belonging to Escobar, including 16 with heliports. Since 1982, he and his wife have registered at least 135 apartments in the city of Medellín alone, not counting his luxury hotels, his holdings in sports teams, or his extensive villas in various coastal cities. And that, of course, does not include his 452 possessions in the state of Florida alone, some of which have been recently confiscated.

According to author Fabio Castillo, in his just-released book, *The Horsemen of Cocaine*, Then Justice Minister Arias Carrizosa "also revealed that the [Barco] government had rejected a proposal of his, made to the Council of Ministers, in which he urged issuing a legislative decree (under State of Siege provisions) to punish illegal or unexplained enrichment, as well as the front-men. And what would we then do with tax evaders? was the first objection posed in the [cabinet] meeting by Finance Minister Luis Fernando Alarcón Mantilla." Minister Alarcón, President Barco's current finance minister, is the foremost mouthpiece for the International Monetary Fund within the Barco government.

No amount of repression alone can defeat the international cartel known as Dope, Inc. With the proper international collaboration, however, its financial lifeline can be permanently shut off. The domestic mop-up, including confiscation of the mob's vast wealth and the rooting out of mob protectors in high places, is the complementary sanitary procedure.

## Documentation: Bankers promote dope

- On Nov. 3, 1983, the Swiss bankers' newspaper, *Neue Zürcher Zeitung*, commented: "Colombian products are of limited interest for the industrialized countries. 1983 is expected to result in an all-time low for exports. . . . In the past decade, Colombia could annually depend upon \$2 to \$3 billion from uncontrolled exports [i.e., the drug trade], which were available to the country. Were the moralizing campaign of the government to reduce this source of funds, Colombia would find itself no longer in a position to earn the foreign exchange necessary for its economy."

- In 1974, Alfonso López Michelsen became President

of Colombia, and authorized the opening of the infamous "sinister window" at the central bank, which laundered unidentified dollars, no questions asked. Millions of dollars from the so-called "marijuana bonanza" entered the Colombian economy through that window. In its first year of operation, 1974, it laundered half a billion dollars. By 1976, it was accepting \$873 million. By 1981, with the take-off of the cocaine "bonanza" under President Turbay Ayala, it officially took in more than \$1.7 billion under the rubric of "services." The 1987 figure, through the month of October alone, had already reached \$1.5 billion.

Former banker Ignacio Umaña de Brigard wrote in 1980: "Of the \$2.4 billion that it is estimated moves annually through the underground economy, \$1.6 billion comes from marijuana and \$800 million from other drugs and contraband. It is estimated that the Central Bank buys \$800 million a year, with which it issues nearly \$35 billion pesos, which produce distortions in the economy. . . . An extremely powerful parallel market is being created which, without any control or limit, without a reserve ratio or registration, has begun to replace the financial sector."

- The Barco government outdid earlier administrations in welcoming mafia money. Colombian administrations have traditionally employed so-called "tax amnesties" to garner the funds for financing campaign promises and various favorite projects. In a single stroke, not long after taking office, the Barco government brought into existence 19 different kinds of tax amnesties. On Oct. 21, then-Finance Minister César Gaviria openly acknowledged to reporters that illicit drug fortunes could be incorporated into the local economy, if only traffickers were permitted to repatriate their dollars "without having to pay taxes."

- Fabio Castillo, author of *The Horsemen of Cocaine*, describes in his book various other methods employed during the period of the Barco administration, to launder drug money into national economies. "The discovery of a multimillion-[dollar] current account in the Bank of Bogota, which was believed to be the funds of a presidential campaign, offered clues as to the links between Colombian industry and the mafia. . . . The operation was simple: the drug traffickers gave dollars to industrialists outside the country for the purchase of their raw materials, and the industrialists paid them back in Colombia with capital goods, which they could buy back if they wished. . . ."

"At least two resolutions of the [Barco government's] Monetary Council were issued, which presumably facilitated the entrance of drug traffickers' dollars into the country. In one of these, the Exchange Office of the Bank of the Republic was authorized to accept foreign credits to meet the working capital or investment needs of agricultural, industrial, or mining companies, with the latter exporting no goods.

"The second resolution virtually authorizes the entrance of unexplained dollars, without any requirements other than that they go exclusively to finance agro-industrial companies

in a specific zone of [the province of] Antioquia. More than 80% of the land of southwestern Antioquia is believed to be under the control of the Medellín Cartel. Who then, other than the mafiosi, could be the beneficiary?"

- On Nov. 26, 1987, central bank director Francisco Ortega wrote a letter to every banking institution in Colombia prohibiting the issuance of any new credit, until further notice. He pointed to the "unacceptable" 33% annual growth rate in the money supply as the reason for his unprecedented request. The Barco government had promised the IMF that growth of the money supply would not exceed 27% in 1987.

Former head of the Latin American Banking Federation (Felaban) Fernando Londoño Hoyos responded to the announcement: "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. . . . 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, concluded Londoño, "will lead the resources originating in the drug trade to link themselves somehow to the economy."

- In a Dec. 13, 1987 letter to the daily, *El Espectador*, banker Fernando Londoño Hoyos identified the Barco government's IMF-dictated measures as designed to promote the narcotics trade:

"... \$1.06 billion [the amount of a recent international loan extended to Colombia] is less than this year's income from the 'sinister window,' and much less than the total profit from cocaine if one takes into account the very high portion of its value which circulates through the black market—all of which gives rise to various reasons for perplexity and amazement. That the banks of the world, all together, contribute to the salvation of our economy with half, or something less, than that contributed by certain famous cartels, is baffling, because of the measliness of the [bankers'] contribution as compared to the enormity of the other business.

"One can well ask if drug money is involved in these flows of funds, which reflect the repayment capacity of the new credit. As it does not seem possible that they have been omitted, we face the unusual case of an international banking agreement which presupposes the well-being of the mafia for its compliance. Should the route of the poison be changed, or the police and judges be successful in their efforts, or the business be harmed simply by some synthetic product, a more aggressive provider, or authorization of retail sales, then the possibility of what the financiers call repayment of the debt goes to the devil. How could the 'Extraditables' have imagined that in all the powerful countries of the world, are gathered so many people as powerful as one supposes bankers to be, to toast their health and fortunes!?"

## British blast Shevardnadze's 'bullying, insolence' in Bonn

by Mark Burdman

In comments made during a British television interview the night of Jan. 25, British Prime Minister Margaret Thatcher strongly rebuffed Soviet demands that Britain weaken its own independent nuclear deterrent. Soviet Foreign Minister Eduard Shevardnadze, during his visit to Bonn the week of Jan. 18, had insisted that Britain and France not modernize their nuclear capabilities. In response to a question, Mrs. Thatcher affirmed: "I do not dictate to Mr. Gorbachov what he can or cannot do. No one dictates to us." We have a duty, she continued, to upgrade Britain's nuclear deterrent to provide adequate defense for the country.

In another segment of the interview, Mrs. Thatcher warned that Soviet foreign policy under Gorbachov had not changed in fundamentals.

Mrs. Thatcher's comments reflect a mood, in both Britain and France, that their nations' nuclear deterrents are non-negotiable. Linked to growing Anglo-French weapons cooperation, and certain efforts by both countries toward the defense of the Federal Republic of Germany, this attitude represents significant rearguard resistance to the U.S.-Soviet "New Yalta" deal, to place all of Europe under Russian imperial domination.

The effect of Mrs. Thatcher's intervention was limited, however, by her strong endorsement of the INF treaty. She called this treaty "good," saying that it referred to "one kind only" of nuclear weaponry, as if the INF process could be isolated from the more general Soviet effort to disarm Europe.

Days earlier, she had gone on American television to warn that Senate rejection of the treaty would be a "disaster." Similarly, in her Jan. 25 interview, she backed off from addressing the deeper implication of the New Yalta deal—that the Soviets intend to have the *United States* do the dirty

work and arm-twist Britain and France into weakening their nuclear deterrents.

This point was made very strongly by London *Sunday Telegraph* chief editor Peregrine Worsthorpe, in a Jan. 24 lead editorial entitled, "Russian Storm Clouds Gather Over Europe." Worsthorpe blasted Shevardnadze for declaring in Bonn that British and French strengthening of their nuclear deterrents "would be a dangerous trend . . . and the Soviet Union would never allow it."

Wrote Worsthorpe, "The Soviet Foreign Minister's language in Bonn last week was quite unacceptable. He spoke as if Russia had suddenly acquired the right to tell the countries of Western Europe what they can and cannot do. As it happens, the orders were not given to West Germany. They were given to Britain and France, who were told that the Soviet Union would not tolerate their using any pause in the Russo-American arms control negotiations, to strengthen their nuclear deterrents. . . . When dealing with Eastern European countries, such prohibitions are routine Russian practice. Those poor countries have long become accustomed to being told what Moscow will or will not allow. But Britain and France are not yet Russian satellites." Wondering why, after several days, there had not been any Western reaction to this threat, Worsthorpe mused that "on this particular question, the Russians are backed by the Americans."

In similar tones, the *Times* of London, under the heading, "Diplomacy of Insolence," commented Jan. 23:

"Such is the supine attitude of much Western opinion in the face of Mr. Gorbachov's diplomacy—including much governmental opinion—that these sinister and insolent remarks have attracted little attention and not a whimper of protest. The modernization would not be in breach of any treaty. It would be part of an attempt by the West to preserve

some sort of balance of power in Europe between NATO and the Warsaw Pact. . . .

"What did Mr. Shevardnadze mean—NATO modernization 'cannot be tolerated'? Who would stop it? Probably he will rely on the United States doing so in order not to jeopardize its new relationship with the Soviet Union. If Western Europe is not careful, it will be trapped between the interests of its enemy and its supposed ally. Western European governments should ignore the advice of this week's bullying visitor."

As for Shevardnadze, he has only escalated his "bullying" and "insolence." Speaking at a dinner in honor of visiting East German Foreign Minister Oskar Fischer in Moscow Jan. 27, Shevardnadze expressed his concern over "the danger of compensatory rearmament in Europe." According to the account on Radio Moscow the next day, he warned, "Mrs. Thatcher should not act as if she does not know the difference between the inviolable right of defense, and the danger of a new round in the arms race."

### **'First the nukes and then the troops'**

Mrs. Thatcher, obviously speaking for a certain consensus in Europe, is trying to do two things at one time. She does not see them as contradictory, but they are.

On the one side, the British and French are expanding cooperation on many levels. Discussion of joint production of an air-launched nuclear missile—with the French acronym "ASMP"—are under way, as are discussions of joint weapons procurement programs. Both countries, albeit the French much more vigorously, are taking initiatives to guarantee the defense of West Germany against Soviet aggression, under conditions that most factions of the American Establishment favor a U.S. withdrawal from Europe. The British have announced the formation of a 5,000-man helicopter-borne special force based in Yorkshire, to intervene in West Germany in the event of Soviet attack. Its mission would be to stall a Soviet advance long enough for more comprehensive Western forces to intervene. Alongside this, the British have created an army air corps regiment of 16 Lynx anti-tank attack helicopters.

Defense Ministers George Younger and André Giraud have established such an exceptional personal rapport and working relationship that Franco-British relations are considered the best in decades, if not centuries.

However, there is also the question of Mrs. Thatcher's determined public support for the INF treaty. While she is known to have strong private reservations, her frequently stated position could be summed up, "This far and no more." However, unless the entire arms control and disarmament process is overturned, beginning with U.S. Senate rejection of the INF treaty, each step necessarily implies the next. And that means ultimately dismantling, by superpower fiat if nothing else, British and French nuclear capabilities.

In the United States, for instance, pro-arms control appeasers have taken the position that the "flaws in details" of

the INF treaty, such as Soviet capability to re-target intermediate-range weapons against the United States, can only be countered by reaching the *next* deal, the so-called START arrangements on strategic arms. That, in turn, implies decapitation of the American SDI program.

The recent history of arms control discussions underscores the point. When Reagan met Gorbachov in Reykjavik in October 1986, Europeans were shocked by Reagan's acquiescence in what has since come to be known as the first zero-option: elimination of INF missiles of the longer range. By the time the actual INF treaty was signed in Washington, on Dec. 8, 1987, the agreement was for the double-zero option: elimination of INF of both longer and shorter range. As of this writing, the simply minimum next agreement being mooted is the triple-zero option, of which there are various versions, but all of which amount to an agreement to remove *short-range* missiles (under 500 kilometers range).

But no sooner is this mooted, than the appeasers' lobbies in the Socialist International and related institutions go on to the next step. In an interview with the *Der Spiegel* weekly, West German Social Democratic ideologue Egon Bahr argued that one cannot stop at simply missiles, but must go on to launchers and other systems, particularly because many weapon systems are "dual-capable," able to launch both nuclear and conventional systems. This implies yet a further widening of the "arms control process."

Says Bahr: "Much more dangerous than these short-range weapons are, in case of conflict, tactical nuclear weapons, battlefield weapons like artillery that can fire conventional and nuclear ammunition alike. Several thousand of them are posted far forward."

According to Bahr's office, he has concluded meetings with East German Central Committee member Herman Axen that discussed an arms control agenda that included "linkage between conventional and nuclear forces."

The crux of the conventional issue, is that it is inextricably linked to European-American *decoupling*, since it puts onto the agenda American troop withdrawal from Europe. It is widely expected in Europe, that Gorbachov will soon make his long-awaited proposal for the withdrawal of Soviet divisions from Europe. As *EIR* has documented, this would be, on the ground, part of a *reorganization* of Soviet forces, away from cumbersome and relatively ineffective division-strength units, toward more mobile and strike-force-capable brigade-strength units. In the media, however, it would be portrayed as a big "disarmament" initiative, and would further catalyze the process of U.S. withdrawal from Europe.

As pro-American European strategists see it, the emerging formula is, "First the nukes and then the troops." As a total denuclearization of Europe unfolds, so this viewpoint holds, the liberal American establishment would whip up a sentiment in the American population that "our boys are unprotected," and should be "brought home."

Hence, arms control, the various zero-options, and American departure from Europe, are all one process.

# A politician groomed to be German chancellor in the INF era

by Rainer Apel

German Chancellor Helmut Kohl is in deep trouble. After five years of government, the political record of his "march of change" is a shambles: on the economic and social front, on defense, on science, on culture and formation of elites. Throughout these five years, Kohl has been hostage to Vice Chancellor and Foreign Minister Hans-Dietrich Genscher and Finance Minister Gerhard Stoltenberg—both leading figures in the German "Irangate" connection.

Kohl's popularity is at its lowest now, and this works to the advantage of Kohl's main-intra-party rival, Lothar Spaeth, the 50-year-old governor of the southwest state of Baden-Württemberg. It is not ruled out in Germany that Spaeth may replace Kohl in 1988, perhaps after the next big monetary crash, expected some time between this coming spring and autumn. Spaeth has made himself kind of a propagandist for Keynesian austerity demands and critiques of the Kohl administration.

In this context, Lothar Spaeth is mooted as a choice for a crisis management government, a new Grand Coalition between the two big political parties, the Social and the Christian Democrats. As a matter of fact, he has friends even among left-wing Social Democrats like the pro-Soviet Saarland state governor Oskar Lafontaine.

But before eventually going to Bonn, Spaeth has to first face elections for parliament in his own state of Baden-Württemberg on March 20. What kind of politician is this man who wants to become chancellor in Bonn?

## A man of the Bush-league, and of Moscow

Lothar Spaeth has prominent friends in the West, across the Atlantic, and in the East. He is the choice of those elites in the United States planning to turn Germany into kind of supply sector for Gorbachov's "new economic policy" in the Soviet bloc. He is their choice for political supervisor of the transformation of Germany's military-industrial complex into a supplier of high-technology to the East.

Lothar Spaeth is a leading proponent of the "CoCom rules reform" faction in Germany, and his role here is fully acknowledged by the Soviet media. Recently, *Izvestia* praised

him as one of those politicians in the West who first called for abandoning the CoCom bans on high-tech goods in trade with the East. When the CoCom executive met in Paris Jan. 27, to review the rules, Lothar Spaeth renewed his call for far-reaching abolition of the technology transfer restrictions, adding that in his view, German high-tech industry is "an ideal partner for the Soviet economy."

The upcoming Feb. 8-11 trip of Spaeth to Moscow was arranged as a political supplement to the INF agreement signed between Gorbachov and Reagan Dec. 8, 1987, and it is not his first trip to the Soviet Union. On March 22-29, 1985, Lothar Spaeth visited Moscow and pre-negotiated industrial joint ventures with Soviet industry. As he said then, this visit "opened a new chapter in German-Soviet relations." This was true, but in a very cynical sense: Spaeth also set up, then, a sister-state partnership between Baden-Württemberg and the Soviet province of Tadzhikistan, which borders on Afghanistan. Soviet troops for Moscow's "scorched earth" policy in northern Afghanistan deploy into the occupied and embattled territories from that same province of Tadzhikistan; but this does not bother Spaeth.

When in October 1986, folklore and propaganda teams from Tadzhikistan toured Baden-Württemberg and met strong and partially violent protest from exiled Afghans, Spaeth apologized for the "unfortunate embarrassment."

Spaeth is more concerned about economic deals, and he is very proud that of six current joint ventures between German and Soviet industries, four are based in Baden-Württemberg. He is very proud that at the end of his Jan. 17-19 visit to Bonn, Soviet Foreign Minister Eduard Shevardnadze met him in Bonn, to discuss his upcoming visit to Moscow, with more such joint ventures on the agenda. This is certainly a diplomatic gesture, compared to the humiliating and arrogant treatment Shevardnadze gave to Chancellor Kohl only a few hours before; for Spaeth, it is the "crowning of the Bonn visit of Shevardnadze," as his office told the press.

Lothar Spaeth is reportedly fascinated with the "new Russia of Mikhail Gorbachov," although very cautious with public statements on the issue. But he has always put himself on

the Soviet side in big international controversies. For example, around year's end 1979, when there were worldwide calls, also among Germany's Christian Democrats, for sanctions against the Soviets after their invasion of Afghanistan, he publicly rejected sanctions. When Soviet fighter pilots shot down the KAL-007 airliner over Sakhalin in September 1983, Spaeth was again among those who downplayed the issue. He was also among the first prominent voices welcoming the INF agreement.

Spaeth has many co-thinkers in his administration and in the CDU party machine of Baden-Württemberg. For example, Bonn parliamentarian Bernhard Friedmann has surfaced as the leading proponent of a pro-Soviet "grand arrangement" between Moscow and Bonn in the age of the zero option. Right after the 1986 Reykjavik summit, Friedmann went public with a scenario of a reunified or federated Germany, militarily neutralized or at least with a largely reduced status in NATO. He said that behind the INF treaty, there was American disengagement from Europe motivated by economic-budgetary problems in the United States. For the Germans, Friedmann wrote, the zero option diplomacy offered a big chance for upgraded German-Soviet cooperation: One could possibly attain reunification of Germany for the price of German industry producing large quantities of high-quality goods for the Soviets.

Having said that, in late October 1986, Friedmann was visited not only by senior Soviet officials, but also Americans, who encouraged him to continue his campaign. It was said at the time that Friedmann, who emerged as a strong critic of Kohl, was heralding Spaeth's march to power in Bonn.

There are others who work for Spaeth, like the Minister of Cultural Affairs in Baden-Württemberg, Gerhard Mayer-Vorfelder, presumably a conservative Christian Democrat with not necessarily pro-Soviet views, as far as actual politics are concerned. His sympathy for Russia is deeper, more "culture-based." Said Mayer-Vorfelder on Nov. 6, 1986: "The fact that Baden-Württemberg does exist, is actually owed to the Russians. At the [1815] Vienna Congress the Czar took into consideration that one of his daughters was married to the Württemberg King, and that kinship relations also existed to Baden. Thus, he said: Everything can be changed in Central Europe, with the exception of Württemberg and Baden."

This was quite a statement, made at a time when Gorbachov's propaganda was hammering into Bonn that Germany should accommodate to the INF treaty and the strategic changes it meant for Central Europe. If Spaeth becomes chancellor, Mayer-Vorfelder is a top candidate to replace him as state governor.

### **In the anti-republican tradition**

Baden-Württemberg is traditionally a hot-bed of neutralist Conservatives and pro-Soviet Liberals in German politics.

After the Vienna Congress, the Russian Czars intervened heavily into the state, demanding an end to the activities of republican-democratic circles who fought oligarchical rule and tried to defend the 1820-22 quasi-parliamentary constitution of the Duchy of Baden. The political suppression set into motion then, under the guidelines of the infamous Holy Alliance's "stability act," provoked revolts, revolutionary military actions, but ended in defeat in 1848-49. Many of the surviving German republicans emigrated to the United States, helping in the Lincoln presidential campaign and also in the 1860s Civil War on the Union's side.

Spaeth's political forefathers in Württemberg and Baden, the Liberals and Conservatives, apologized for the republican's "unfortunate embarrassment" and worked with the oligarchy, including the Russian oligarchs, after they had helped to restore "law and order" compliant with the Vienna Congress of 1815, which was, as one might say, the Yalta Agreement of that historical period.

During the American War of Independence, Württemberg and Baden were main areas of recruitment for Britain's colonial mercenary in Germany, citizens sold by their feudal masters to the British Crown. It is this slave-trading that the great German poet, Friedrich Schiller, a child of the same region, attacked in his drama *Kabale und Liebe*.

### **Spaeth's 'high-culture': counterculture**

Lothar Spaeth likes to present himself as a proponent of "high-tech," a rational man and representative of "high culture." But in July 1984, Spaeth opened his mind to an interviewer of *Playboy* magazine (one of the first prominent German politicians to do so!), confessing that he is a passionate card player: "Whenever somebody pulls out the cards, I simply have to play." He also confessed to *Playboy* that he likes rock: "My favorite music is the music of the [Swedish rock group] ABBA." Spaeth revealed that his favorite painter is none other than the contemporary Vienna mystic Friedrich Hundertwasser.

Spaeth is pursuing two main projects in the sphere of culture and science. One is to get the art collection of Baron Thyssen from Lugano, Switzerland, into Baden-Württemberg. It is not so much Thyssen's Renaissance paintings that have aroused his interest: He would like to have the huge collection of the modern paintings which originally belonged to the Hermitage in pre-1917 St. Petersburg. It is a matter of prestige, and the whole transaction may actually serve Raisa Gorbachova's Soviet Culture Fund. Peter Ustinov, prominent "Western" member of that fund, toured Baden-Württemberg in 1987, and is said to be a great admirer of Spaeth.

The other project is "Technopolis 2000," a gigantic think tank being built near Ulm for post-industrial and "information society" concepts. Nearly all German high-tech companies have pledged a share in that project, the central task of which is to produce what is called "artificial intelligence," however.

## Spaeth's 'high-tech' works for Moscow

Spaeth has repeatedly hinted that his state is to replace the traditional center of industry in Germany, the Ruhr region. While the Ruhr's steel and metal industries are collapsing and are being "phased out," Baden-Württemberg turns into the promised land of the "new industries." There is a brain and labor drain from other parts of Germany into Baden-Württemberg, which raises concern because this state is so pro-Soviet.

Also inside the state, the transformation of industry and production is proceeding. Especially in 1987, many of Baden-Württemberg's traditional machine and machine-tool producers, which depend on export markets in the dollar zone, have run into deep trouble. They are being told now by the Spaeth administration that there are big chances in joint ventures with the Soviets and the East bloc. The administration is arranging industry exhibits in Moscow, to help in the marketing of products, and is inviting Soviet industry delegations to tour Baden-Württemberg. Spaeth further plans a training center in his state for Soviet engineers who want to learn all about "high-tech." Details of this are to be discussed during his Feb. 8-11 trip to Moscow.

Lothar Spaeth will be accompanied by representatives of key high-tech companies of Germany, and this trip is expected to produce a sizable share for German industries in the 1988 Soviet budget of 7 billion rubles for buying Western machinery. What the Soviets are interested in most, are sec-

ond- or third-generation computerized machines, and Spaeth believes these can be provided by German industry.

The financial side of these prospective deals is also being secured. In the recent placing of a Soviet bond, the first since 1917 on Western capital markets, through Switzerland, the BAKOLA (Badische Kommunal-Landesgirobank) played a direct role. The BAKOLA, which has been in the credit business with the East for a long time, is one of two dominant banking groups in Baden-Württemberg, which Lothar Spaeth is about to merge into one big bank.

Against the background of mounting criticism by German industries and banks of Chancellor Kohl in Bonn, this Spaeth banking-industry project deserves some special attention, because it makes him kind of a rallying point for post-Kohl policy perspectives. A very important backer of Spaeth among Germany's big industry is Edzard Reuter, chairman of Daimler-Benz Corporation and a prominent right-wing Social Democrat, who surfaced recently as the foremost critic of Chancellor Kohl's economic and monetary policy. When in mid-January, Reuter called for a quasi-Keynesian policy of state deficit-spending, wage-freeze, and eventual wage cuts for labor, Spaeth applauded. No wonder: His own state budget for 1988 will be burdened with additional debts of 2 billion deutschemarks, for similar programs of "conjunctural incentives." Behind the scene, Lothar Spaeth says he'll be able to pay the money back to the banks—through extended trade with the Soviet Union.

# Friedrich Schiller

## Poet of Freedom

A collection of poems, plays, and prose writings, in new translations by members of the Schiller Institute.

---

*"Why did an institute for republican foreign policy name itself after a poet, in particular Friedrich Schiller? The extraordinary success of the Schiller Institute in the short time since its founding proves that the concepts created and formulated by Schiller have established that higher level of reason on which alone the problems which confront us today can be overcome."*

—Helga Zepp-LaRouche

---

\$9.95 plus shipping (\$1.50 for first book, \$.50 for each additional book).  
Bulk rates available.



Order from:  
**Ben Franklin Booksellers, Inc.**  
27 South King St.  
Leesburg, VA 22075



# Soviet military men rise in party apparatus

by Rachel Douglas

The transfer of two generals, from their posts as political officers for the Soviet military to the heart of the Communist Party Central Committee apparatus, has greatly enhanced Marshal Nikolai Ogarkov's control over the process of perestroika restructuring in the Soviet Union. As *EIR* has documented from the start, the reform was the brainchild of Ogarkov; he elaborated the Soviet doctrine of war economy, which perestroika has brought to life.

So out-of-the-ordinary are these latest personnel shifts, that some Western experts failed to realize what had happened, when they saw I.A. Larin and N. Shlyaga identified in the Soviet press as, respectively, first deputy chief of department and chief of a section in the powerful Central Committee Department of Administrative Organs. Until their recent assignments, these men were always named with their military ranks: General Lieutenant Larin was chief of the political directorate in the Leningrad Military District from early 1985 until some time in 1987, while General Lieutenant Shlyaga had been chief of the political directorate of the Central Group of Forces (in Czechoslovakia) since 1985 and before that also served in the Leningrad Military District.

The Leningrad Military District and the Central Group of Forces come under High Command West, one of the wartime theater commands established according to Ogarkov's design. The commander-in-chief of High Command West, on the front line facing NATO, is Marshal Ogarkov himself.

We suppose politicians in the West who are ga-ga over the great reformer, Mikhail S. Gorbachov, will have to call the shift of Larin and Shlyaga a successful case of forcing Moscow to make cuts in its military for the sake of the civilian sector! The wiser course is to see what it reveals about what is masked by Gorbachov's smile.

The arrival of the military officers at the Central Committee staff transpired under the auspices of Central Committee Secretary and Politburo strongman Yegor K. Ligachov, who in December 1987 asserted that the Politburo had assigned him to "lead . . . [and] organize the work of the Secretariat." The Central Committee Secretariat, which runs the CC departments and nationwide political machine of the Communist Party of the Soviet Union, has historically been run by the general secretary—today, Gorbachov. But while Gorbachov was off writing his book on perestroika during the summer and dazzling Washington in December, the trika of Ligachov, Ogarkov, and KGB boss Viktor M. Chebri-

kov strengthened its grip on power.

The appointment of General Larin and General Shlyaga appears to have happened in September, while Gorbachov was away on his book-writing vacation.

## Who is Yegor Ligachov?

Journalists covering Moscow have adopted the uninformative tag "conservative" for Ligachov. In fact, the most striking aspect of Ligachov's biography is his linkage to the Soviet military-industrial complex, throughout his career.

This background is shared by most of the men promoted, alongside Gorbachov, from the moment ex-KGB chief Yuri Andropov entered the Secretariat in 1982, as its number two man behind the moribund Leonid Brezhnev. Among those who became Central Committee secretaries after that were Nikolai I. Ryzhkov (now prime minister of the U.S.S.R. and a Politburo member), former director of the country's premier machine tool plant; Lev Zaikov (now on the Politburo), who directed a defense-related electronics firm in Leningrad in the 1970s; and Nikolai Slyunkov, the former Byelorussian party chief and central planning official, who has ties to the defense industry.

Ligachov received a technical engineering degree from the Ordzhonikidze Aviation Institute in Moscow in 1943. Then his career unfolded in Novosibirsk, first as an engineer and then as party official. From 1959 to 1961, soon after the establishment of the Siberian Branch of the Academy of Sciences transformed Novosibirsk into the country's major center for scientific and military crash projects, Ligachov was first secretary of the Novosibirsk Obkom (regional party committee).

After a 1961-65 stint in the CC Propaganda and Organizational Party Work departments in Moscow, which coincided with Andropov's tenure in the CC apparatus, Ligachov returned to Siberia, not to Novosibirsk, but as first secretary of the neighboring Tomsk Obkom. In that capacity he was also a member of the military council of the Siberian Military District. His colleague there, Siberian Military District Commander Gen. Col. N.I. Popov, went on in 1984 to command the Turkestan Military District, an important staging ground for the war in Afghanistan.

Andropov summoned Ligachov to Moscow in April 1983, to take charge of the CC Organizational Party Work Department and run the post-Brezhnev party purges. At least by the time of the 27th Party Congress, in early 1986, he had been brought onto the Defense Council of the U.S.S.R., the shadowy organization that groups the top military and political leadership of the U.S.S.R.

Ligachov has often identified himself with the favorite causes of proponents of Great Russian chauvinism, loosely known as the Russian Party. It is the duty of the party to "safeguard national sacred things," he said in March 1986, and "those who are raising their voices in alarm to save the architectural appearance of our famous ancient cities are absolutely right."

# Demjanjuk frame-up flounders as new evidence of KGB fraud emerges

by Joseph Brewda

The Israeli trial of accused Nazi war criminal John Demjanjuk was disrupted at the end of January, by shocking new revelations which show, once again, that the accusations against the retired Cleveland autoworker are outright lies. In the middle of the prosecution's summation to the court, Demjanjuk's defense counsel produced a 66-page page affidavit handwritten by the chief prosecution witness Eliyahu Rosenberg in Poland in 1945. Rosenberg—who now swears that Demjanjuk is the dreaded Treblinka concentration camp guard "Ivan the Terrible"—wrote in that earlier document that he had personally *assisted in killing "Ivan."*

Demjanjuk has steadfastly insisted that he is the victim of mistaken identity, KGB forgeries, and perjured testimony. He was deported to Israel as a result of a frame-up orchestrated by the U.S. Justice Department, with never a trial in a U.S. court on the criminal charges against him.

In response to the latest revelations, Israeli Judge Dov Levine has reopened defense cross-examination of Rosenberg, and it is expected that the government will now seek a technical acquittal as a way out of its embarrassment.

The exposure of the fact that the Israeli government's chief witness is a perjurer, is simply the latest twist in a 10-year campaign against Demjanjuk, and against U.S. law. Far from representing "pursuit of justice," as sanctimonious Israeli officials claim, the case against Demjanjuk is a transparent frame-up that is the result of cynical deals between the Soviet Union, a faction of the Israeli government, and a Soviet-linked nest in the U.S. Justice Department's Office of Special Investigations (OSI).

The only other "evidence" against Demjanjuk, outside of Rosenberg's lies, and the testimony of a handful of other hysterical "witnesses," is a patently forged ID card of Demjanjuk. The ID card, formerly held at the Soviet military archives in Kiev, was brought to Israel by none other than Soviet agent Armand Hammer.

In his 1945 affidavit, Rosenberg swore that during a 1943 Treblinka camp uprising, "We went to the engine room where Ivan was sleeping and Gustav [another prisoner] hit him with a shovel on the head. And there he remained, lying for eternity." When defense attorney Paul Chumak confronted Rosenberg with this written statement in the Jerusalem court, the

witness continued to insist, incredibly, that the living Demjanjuk is nevertheless the dead "Ivan the Terrible."

Apparently for Rosenberg, "eternity" means something less than 50 years.

Rosenberg had previously repeatedly insisted that he had never drafted the affidavit, during the recent months that defense attorneys were attempting to retrieve the rumored document from Poland. Presented with the original, Rosenberg could no longer deny his authorship.

Reached for comment on these new revelations, OSI director Neil Sher, a key player in the drama, absurdly claimed that he had not heard of the latest developments in the case, and therefore had no statement. Yet Sher had earlier used Rosenberg to justify deporting Demjanjuk from the United States. The OSI's conspiracy to prevent Demjanjuk's defense attorneys from acquiring documentation that would prove the former U.S. national innocent, and to aid the Soviet-Israeli frameup, is glaringly obvious in an OSI interdepartmental confidential memo made available to *EIR* and published below.

## Communist frame-up

Even before the latest developments, the fraudulent nature of the charges against Demjanjuk was apparent.

Demjanjuk was first accused of being a war criminal in 1975, when Michael Hanusiak, publisher of the Communist Party U.S.A.'s *News from the Ukraine*, made a pilgrimage to the Ukraine. Being a hardworking investigative journalist, Hanusiak was "somehow" given access to Soviet military intelligence archives on Ukrainian "Hitlerites," "nationalists," and other "riff-raff." Upon his return to the United States, Hanusiak slandered Demjanjuk as a former "war criminal" at the Sobibor concentration camp in Poland. Ever ready to follow such leads, the U.S. Justice Department began an investigation and then deportation proceedings against the autoworker, solely based on the Soviet military intelligence claims dutifully relayed by the CPUSA.

The trouble with the Justice Department's case, was that it was not able to show that Demjanjuk was ever at the Sobibor camp, and so the prosecution argument began to fall apart. But suddenly Rosenberg and a handful of other Israeli

“witnesses” came to the rescue, having “recognized” Demjanjuk as “Ivan the Terrible” of Treblinka, after seeing Demjanjuk’s photograph published with articles on the Cleveland case. As a result, the Justice Department amended charges against Demjanjuk, now alleging that he was also at Treblinka.

During this same period, the U.S.S.R. foreign ministry forked over what purported to be an ID card of Demjanjuk, identifying him as having attended the SS Trawniki training camp. The crudity of the Soviet forgery astonished observers: It was missing a date of issue, a place of issue, and an obligatory officer’s signature. Despite this obvious fraud, Judge Frank Battisti, then a central character in a federal grand jury investigation into judicial corruption, agreed that the Justice Department evidence was compelling enough, that he just had to order Demjanjuk denaturalized. He was subsequently deported to Israel, a country where he had never been, in 1983.

### Hammer’s operation

Since there can be no possible evidentiary justification for the case against Demjanjuk—and the same goes for virtually all other OSI “Nazi hunting” cases—the reason for the prosecution must be sought outside the law. That explanation can be found by examining some of the activities of Armand Hammer, the Soviet agent who functions as a back channel among the governments of Israel, the Soviet Union, and the United States.

As the accompanying text of a letter from Hammer to Israeli Foreign Minister Shimon Peres shows, it was Hammer who personally delivered the forged ID card to the Israeli government for use in prosecuting Demjanjuk. The ID is the only evidence against the former American except for the Rosenberg “witnesses.”

As the reader can read for himself, Hammer acquired the ID card during a December 1986 mission to Moscow which centered on discussing arms control agreements with the Soviet high command. One year later, Hammer succeeded in arranging the Reykjavik summit, shortly after he secured the swap of then imprisoned U.S. reporter Nicholas Daniloff for Soviet spy Gennadi Zakharov. Reagan’s capitulation to the INF sell-out at the 1987 Pearl Harbor Day summit is in large part the work of Hammer, Reagan’s personal back channel to Gorbachov.

However, Hammer did not act alone.

Among the key networks assisting Hammer’s duping of the Reagan White House was the Israeli Mossad. In fact, former Assistant Secretary of Defense Richard Perle first proposed the “zero option” deal for withdrawing nuclear missiles from Europe, for the Reykjavik summit. Perle had been caught red-handed passing U.S. classified information to the Israeli embassy in 1971, and later worked for one of Israel’s largest weapons manufacturers, before joining the Reagan administration’s defense department.

The arrangements Hammer negotiated between Israel and Moscow are, in brief, as follows. Israel provides Moscow classified U.S. intelligence through its agents in the U.S. government, for example, the case of Jonathan Pollard, and induces the United States to accept arms control deals; Moscow in turn provides Israel with emigrating Soviet Jews. Both states have found it in their interests to depict the United States as chock-full of fugitive Nazis, as in the Demjanjuk case and other OSI cases. Both states are interested in manipulating the Israeli population through hysterical show trials. Both sides have a policy of slandering West Germany and Austria as dominated by Nazis, the intent of the OSI charges against Austrian President Kurt Waldheim.

A detailed analysis of how this three-way deal among Soviet, Israeli, and U.S. intelligence networks has functioned is presented in *EIR*’s newest Special Report, *Global Showdown Escalates: The Zero Option and the Berlin Crisis of 1987*. New revelations will be presented in an upcoming *EIR* Special Report, which will present the real story behind the case of the recently captured Israeli-Soviet spy Shabtai Kalmanowich.

---

## Documentation

---

### Hammer’s mission to Moscow

*The following letter from Armand Hammer was sent to Israeli Foreign Minister Shimon Peres, accompanying a forged Nazi ID card purporting to identify Demjanjuk. Hammer’s linkage of the case against Demjanjuk to multilateral and bilateral issues (e.g., disarmament, Soviet Jewish emigration) should be clear to the discerning reader.*

December 11, 1986  
His Excellency Shimon Peres, Minister of Foreign Affairs,  
Prime Minister Alternate, State of Israel

Dear Mr. Minister,

I just returned from the Soviet Union where I had extensive meetings with Prime Minister Ryzhkov, Foreign Minister Shevardnadze, and Secretary Dobrynin. We discussed a wide range of issues. While I remain optimistic, much work is to be done to assure a stable relationship, particularly in the arms control field. At my request, I was provided with the enclosed original document, which is the original identification card of Nazi war criminal Ivan Demjanjuk, #1393, given at the SS training camp Trawniki, attached. I hope this helps in the impending trial of Mr. Demjanjuk. The Soviet

government asks that this document be returned by me when you have finished with it.

With warmest regards,  
Sincerely,  
Armand

## OSI cover-up

*The following OSI interoffice memo was written to formulate a response to Freedom of Information Act requests for information on the Demjanjuk deportation, which is formally closed from the standpoint of U.S. law. Note the conspiracy against the Demjanjuk defense, and the OSI intention to deport Demjanjuk to Moscow if he is cleared in Jerusalem.*

## MEMORANDUM

SUBJECT: FOIA requests: John Demjanjuk  
DATE: June 3, 1986  
TO: Neal M. Sher, Director  
FROM: Martin H. Sachs, Trial Attorney

ISSUE: Whether or not to reveal our aid to Israel and protect these files or release the documents and conceal our aid.

## INTRODUCTION:

I have been notified by the FOA/PA office that they are not ready to start processing all of the material we have on John Demjanjuk pursuant to several pending FOIA requests.

I have discussed this with Mike and he suggested that I prepare a memo to you briefly setting forth his concern at releasing this material.<sup>1</sup>

## DISCUSSION:

Mike—for a very good, but not publicized, reason—does not want all the files sent over.<sup>2</sup> The bind this puts us in is that, for all outward purposes, our involvement in this case is over and the FOIA office is therefore entitled to the files. To prevent release of them, we must give them a valid reason. This presents no problem—obviously, we can tell them what the situation is with respect to the case. What does present a problem is that the FOIA office must then notify the various requestors as to why the requested material cannot be released. The notifications must compact to one or more of the specific statutory exceptions.

Unfortunately, there are no exceptions that would cover all of our files in their present, apparently closed status. Stated in the converse, the statutory exceptions which would provide sufficiently broad coverage to deny release here would only apply to active cases—the very opposite of the image that office is publicly seeking to portray.

Where does this leave us? First, we cannot ignore the requests, or we will surely be sued. Second, to assert (directly or by inference) that the case is closed means we must rely upon exemptions that do not afford adequate or relevant

coverage, leaving the file vulnerable to significant portions having to be released.

I have researched this issue and there are really only two avenues to follow: 1) protect the documents by admitting our help to the foreign government (this allows us to rely on active case exemption), or 2) release the documents and thereby conceal our help.<sup>3</sup> In all fairness, the decision should also be based upon input from Israel.

RECOMMENDATION: The important thing here is protection of the documents, not our aid to Israel (which is probably assumed by anyone following this matter anyway, or the fact that we might acquire custody of Demjanjuk again at some point in the future (which would obviously generate immense publicity if it happens, and for which we would need all the files—free of public invasion.) Accordingly, I recommend that we advise Israel of the situation, and, upon concurrence, advise the FOIA office that this is still an active case, based on aid to a foreign government, and thus be able to protect our files under relevant exemptions.

Because FOIA wants this material now, would you please advise me at your earliest convenience what I should tell the FOIA office.

<sup>1</sup> Requests have been received from Warren Rechie (860278), Denys Blaheway (860296), Saulius Simoliunas (860419), a Mr. or Ms. Kingston (9320), (who appears to have withdrawn Ms. request) and Alcron beacon Journal/Funk (no FOIA number assigned as of this date).

<sup>2</sup> I refer here specifically to our office's aid to Israel as well as the possibility of Demjanjuk's possible subsequent deportation to the Soviet Union should he not be convicted in Israel and then returned to the United States.

<sup>3</sup> This presupposes that there is no record in the file memorializing a request for, or offer of, our help.

# SILVER

## SHORT SQUEEZE

● WHO? ● WHAT? ● WHY? ●

Not what you think! Daily limits soon. Exchange cannot stop this one because it is different. **Send \$5 to SIBBET for information. He is the one advisor who predicted the other two squeezes.**

**SIBBET PUBLICATIONS**  
1091 E. WOODBURY RD. PASADENA, CA 91104

Name \_\_\_\_\_

Address \_\_\_\_\_

Zip \_\_\_\_\_

# New crisis confronts Philippine military

by Linda de Hoyos

The government of Philippines President Corazon Aquino may face its gravest crisis yet, with the Jan. 14 resignation of Defense Minister Rafael Iletto. Upon his resignation, Iletto was immediately replaced by Armed Forces of Philippines (AFP) Chief of Staff Fidel Ramos, who was then sworn into office without benefit of constitutionally mandated congressional approval.

Iletto had been brought into the Aquino cabinet in November 1986, to replace ousted Juan Ponce Enrile. Iletto has a reputation as a competent professional military officer. He was thrown into near-exile as ambassador to Thailand during the heydays of Gen. Fabian Ver's control over the military. His resignation has sent a shock throughout the region, and severely dented Mrs. Aquino's credibility within the ASEAN countries of Southeast Asia.

Iletto's resignation has been seen as the final result of a power struggle between himself and General Ramos, with Iletto attempting to maintain a balance among the various factions within the military. Iletto's resignation letter indicates that the consequence of Ramos's fractious behavior was the ineffectiveness of the AFP against the insurgent 25,000-man New People's Army.

"It has been my distinct impression that the reorganization of the military has not proceeded as I had envisioned, and I fear that divisive elements and controversial issues, if not checked promptly, will erode whatever gain we have achieved," said Iletto in his letter, indicating that he had faced continual challenges to his authority.

"Counterinsurgency operations are going very well, but not to the level that I had expected," he later told reporters. In an implied indictment of Ramos's own views, he added: "Maybe we have not concentrated on it [the insurgency]. Our actions had been too diversified, looking at so many things instead of concentrating on the main problem."

The acceptance of Iletto's resignation and his replacement by Ramos may end all possibilities for unity within the military. On Jan. 24, the Reform the Armed Forces Movement, comprised of the majority of officers under the rank of general, issued a declaration against the Ramos appointment. RAM played an instrumental role in the U.S.-backed military coup against Ferdinand Marcos in February 1986. Its leader

Gringo Honason then attempted a coup against Aquino in August 1987, and as a result Honason is now awaiting trial in a ship in Manila Bay. Despite this, the RAM remains politically the strongest and most activist element in the military, known for its nationalism and antipathy to the NPA.

In a statement published in the *Philippine Daily Globe*, the RAM called Ramos a weak military figure who has fostered factionalism in the armed forces. His boosting to defense secretary, the declaration stated, is "an ominous event . . . a serious blow on the morale of the fighting men of the armed forces of the Philippines and on the credibility of the entire government." The RAM warned that it might be "compelled to use whatever means necessary" to oppose Ramos's appointment.

Attempting to create some momentum, Ramos announced on Jan. 24 a five-point program for dealing with the insurgency. In a press conference, he said the points will include: revival of the death penalty for serious crimes, including rebellion, homicide, and drug trafficking; and the issuance of national identity cards to facilitate the arrest of NPA and Communist Party (CPP) members. He also called upon civilians to become involved with the counterinsurgency program, through the revival of "peace and order" councils. These councils, operative before the "February revolution," brought together civilian, military, and business sector representatives on the local level, in a local war council against the NPA. Ramos also said that he would reactivate reserve forces, particularly in the region around Manila, for actions against the NPA.

## On the ropes

If a crisis in the military erupts, Aquino will face it from a far weaker position than during the Enrile resignation crisis, or the Honason attempted coup. During nationwide elections for local and state offices Jan. 18, voters indicated that the saintly image of Cory had worn off. Even in races where Aquino made personal endorsements, according to campaign strategist Paul Aquino, the "Cory factor" may have accounted for no more than 5%. In key elections, relatives of Aquino put in races to build the Aquino-Cojuangco political dynasty, were rejected by the voters. Her sister-in-law Mila Aquino-Albert was defeated in the race for mayor of Quezon City, and her cousin Victor Sumulong, lost his bid for the governorship of Rizal Province.

But the real winner of the elections, many observers agree, was the NPA. The NPA presence is particularly acute in central Luzon, where Manila is located. According to Col. Cesar Nazareno, the CPP-NPA supported some candidates in Central Luzon for the purpose of establishing a shadow government. The conditions for NPA support are: If elected, they will work for the disbanding of the Civilian Home Defense Forces, prevent the organization of vigilante groups, and support moves to dismantle the U.S. military bases in the country.

# Atomic waste 'scandal' threatens West German nuclear industry

by Ralf Schauerhammer

Over the course of January, Bonn has been swept by a "nuclear scandal" which had been building up for several months. This one has a significance going far beyond the borders of the Federal Republic of Germany.

The scandal was sparked by Social Democratic parliamentarian and former Research Minister Volker Hauff, who charged on Jan. 15 that police investigating the nuclear company, Nukem, in Hanau near Frankfurt, had "found evidence" proving that the treaty embargoing atomic weapons from West Germany had been violated. Traces of weapons-grade material were allegedly found in storage containers in Germany supposed to contain only low-grade nuclear wastes.

One day before Hauff's declarations, Environment Minister Töpfer had taken away the operating license of the Nukem firm, as he had taken away the license of its subsidiary, Transnuklear, a few weeks earlier. The action against Nukem was taken on grounds of irregularities in transactions relating to the transport of low- to moderate-grade radioactive wastes. In this environment, Hauff's charges hit like a bombshell, even though, two days later, Hauff had still failed to produce his "reliable informant" despite pressures from the state prosecutor's office. Instead, he quietly retracted his statement.

The beginning of the "nuclear scandal" goes back nearly a year. In April 1987, the manager of Transnuklear brought a lawsuit against suspected embezzlers of company funds. Nukem, with its subsidiaries, has a near-monopoly on the supply of fuel elements to nuclear plants and on the transport of nuclear wastes in Germany. Last summer, it came out that bribes had been paid to employees of various nuclear plants, as well as to collaborators of the Belgian research center in Mol, where low- and moderate-grade radioactive wastes from German nuclear plants are processed and cemented into containers for final storage in Germany.

Since early December, the "nuclear container" stories have been capturing the headlines. It has been established that some of the containers manifested "atypical" radiation characteristics and contained atomic refuse of "uncertain origin." Cesium-137 and cobalt-60 were measured. The presence of cesium-137 is an indication that traces of highly radioactive atomic refuse from the nuclear fuel cycle were

present in the containers. It was concluded from that, that traces of plutonium must have also been present in the containers, which was subsequently confirmed. This "cargo" had cleverly been mixed in with the German by-products in Mol, in the full knowledge that those on the receiving end, bound by their own bribe-taking, would be unable to protest.

In December, one of the employees of Transnuklear, who was already in custody in the bribery case, committed suicide in his cell.

The number of "suspicious containers" grew day by day, and in January reached a reported total of 2,500. In fact, most of these containers are perfectly in order, but nevertheless, they are "under suspicion," and have to be tested again. The plutonium hysteria has reached such a level in West Germany that it has umbraged even the media spectacle that followed the Chernobyl disaster.

## A flood of rumors

It was into this situation that Hauff's charge burst: a public charge that weapons-grade material was being shipped to Pakistan and Libya, an evasion of the Nuclear Non-Proliferation Treaty. Volker Hauff was by no means alone in this. A flood of rumors broke out.

The first rumor: Various sources implied that Nukem subsidiary Hobek had declared to be production waste, portions of the highly enriched uranium-235 that it received from the United States for the production of fuel elements for the THTR-300 reactor. It thereby evaded the bookkeeping of the International Atomic Energy Agency. Allegedly then, the fragments of U-235 from the delivered "refuse" were put back together in Mol.

Informants, if they ever existed, have so far remained in the shadows, so something more has to come out, if any of this is to be believed. Highly enriched U-235 would be of interest to weapons dealers, because it is technically much easier to build a bomb with U-235 than with plutonium. But militating against this rumor is the fact that Hobek, just to build a single bomb, would have had to divert a considerable percentage of its processed materials in this way over a period of three years.

The second rumor: Weapons-grade material is being

shipped to Pakistan from an area of Mol that is not under the control of the IAEA, the shut-down plant of the Eurochemic company. This rumor is based on the fact that the IAEA agreements exclude control over certain shut-down plants. It turns out that this rumor comes from the gossipy magazine, *Bonner Energie Report*, which stressed that the allegation, as given to the Hessen state government, was "unproven." From there the unproven allegation—upgraded by official government investigation—made its way into the media as "strong suspicions."

The third rumor: From Mol, German nuclear materials allegedly arrived in Pakistan via the city of Lübeck in the state of Schleswig-Holstein. The source of this assertion is the Belgian Green Party member who sits in the European Parliament, Paul Staes. His "train of evidence" is more or less as follows. The holding company Intergulf in Monrovia, Liberia is run by two well-known Pakistani weapons dealers. The "material" is transshipped to Pakistan via a small firm in Lübeck which, in turn, is owned by the Intergulf subsidiary, Hansatransport, in Bremen. His "suspicion" fits right in with the Green electoral campaign in Schleswig-Holstein. Militant Greens there, in collaboration with Social Democratic chairman Björn Engholm, have stopped legal nuclear-materials transport under threat of violence.

The fourth rumor: Researchers from the German nuclear research center in Karlsruhe have "secretly" developed an "ash-burning process" in Mol, by which plutonium can be reconstituted out of waste products. The source for this is a daily newspaper in Hanover, and it is the topic on which the "physicist" Helmut Hirsch from the "Ecology Group" has held forth in various magazines. The process described is actually going on, but in no way "secretly." At the beginning of last year, the Karlsruhe research center proudly announced that it had succeeded in obtaining plutonium—for the purpose of better storage—from waste products. A total of 6 kilograms of plutonium was obtained during the testing process, carried out under the supervision of the IAEA.

The fifth rumor: The murder of Iraqi Shi'ite leader Mehdi al-Hakim in Khartoum, Sudan, can be traced back to a "nuclear feud" between Iran and Iraq. Both states have allegedly stocked up on the "atomic black market" with enriched uranium and plutonium for a dozen atomic bombs. Between Sudan and Libya, there is a close collaboration based on trading oil for uranium, set up in a secret clause of the trade agreement signed in 1986 in Tripoli. It is also alleged, according to statements from the Tripoli harbor management, that deliveries of plutonium and enriched uranium arrive in Libya from Antwerp; the Belgian cargo papers mislabel the products. The source is a mysterious "correspondent" Heinz Gestrein, behind whom one suspects the Israeli intelligence service.

From the standpoint of German internal politics, the thrust of the affair fits into the Soviet goal of dismantling the German nuclear industry. The Greens and the Social Democrats

have made this dismantling one of their primary objectives.

Now, statements are piling up from the ruling "conservative" parties, the Christian Democratic Union (CDU) and Christian Social Union (CSU), which stress as the precondition for their support for nuclear power, the "special reliability" of the nuclear industry which is in fact written into Germany's legal code. Not to be overlooked is the zeal with which even the CDU ministers in Bonn and Hessen are working on measures against the industry.

If a firm which is so vital for the German nuclear industry, Nukem, remains closed even for several weeks, the industry will suffer a blow from which it may never recover. Moreover, on Jan. 23, it was announced that the "Max von Laue-Paul Languévin" research reactor in Grenoble, France, can't be operated now because a nuclear fuel element cannot be delivered by Nukem, and numerous other European nuclear research centers are also affected.

### International ramifications

Internationally, the anti-nuclear campaign is aimed primarily at the IAEA and Euratom, under whose supervision the control over the non-proliferation of nuclear fuels lies. It is not by accident that the magazine *Der Spiegel* in its latest edition concentrates on this aspect. *Der Spiegel* tries to popularize the assertion that every year, huge amounts of fissionable materials slip past the record-keeping of the IAEA, enough to build dozens of atomic bombs. And, from the circle of Volker Hauff, one hears that something new has to be worked out regarding the IAEA.

The Hanover-based *Allgemeine Zeitung* complains that the "nuclear have-nots" can procure nuclear know-how and nuclear material, because in the "highly industrialized countries," there is a reluctance to exert stricter controls. Also indicative is an editorial in *Business Week* of Jan. 11, which asserts, "The good news on nuclear arms is that President Reagan and General Secretary Mikhail S. Gorbachov have agreed, for the first time in history, to cut back U.S. and Soviet arsenals of nuclear Euromissiles. The bad news is that it is too late to stop the spread of such weapons to the Third World."

It is to be supposed that the "German nuclear scandal" is only the first of a chain of scandals in whose wake peaceful nuclear technology in Western Europe will be more tightly drawn into Soviet curbs.

In the framework of the INF Treaty, which supposedly brings so many new "chances for verification," the following may be forecast. In the future, only the superpowers will possess the technology of the full nuclear fuel cycle. The corresponding plants in other countries will be closed down. These are mainly proposals which were already under consideration in the period of the Jimmy Carter administration. The German "nuclear scandal" has revealed what kind of bludgeons are ready, in case institutions like the IAEA and Euratom don't want to play along with this scenario.

# Italy weighs amnesty for terrorists

by Antonio Gaspari

The return of the fanatical subversive Franco Piperno, sentenced to 10 years in jail after the trial of the underground journal *Metropoli*, and for five years a fugitive from Italian justice in Canada, has given Italy's media another element to add to the debate on shortening the jail terms and even possibly pardoning terrorists.

This debate was officially opened by Christian Democratic parliamentary leader Flaminio Piccoli, who together with the Italian Communist Party's justice expert, Prof. Cesare Salvi, and the Italian Socialist Party's Hon. Salvo Andò, had officially spoken of "clemency measures" toward the members of the "Armed Party" at a conference held at the Foreign Press Association. Both Professor Salvi and Deputy Andò backed Piccoli's proposals on that occasion.

The question is so explosive that almost all the parties have split over the mooted amnesty. In the "pro" camp are found Staiti di Cuddia, a parliamentarian of the neo-fascist Italian Social Movement (MSI); Red Brigades fugitive Orreste Scalzone; and Emilio Vesce, the former defendant in the April 7 trial, now Radical Party deputy in parliament. Among the "contros," against the clemency measures, have lined up former Italian President Sandro Pertini, parliamentarian Publio Fiori, Senate chairman Giovanni Spadolini, and all the victims of terrorism.

The debate is so paradoxical that many are asking what lies behind it.

With the "Repented Terrorists Law," the state had already made extraordinary concessions toward persons who, even if they had committed monstrous crimes, are today free (the case of Marco Donat Cattin) or semi-free (the case of Red Brigader Alberto Franceschini).

That law itself was juridically inadmissible, but had been justified by an emergency situation, when the testimony of terrorists willing to turn state's evidence was crucial to locate and shut down the terrorist safehouses. Today, any measure favoring amnesty must be considered not only the result of perverse political games, but a profound attempt to overturn

the constitutional basis of justice in Italy.

We are dealing here with leaders of a self-defined *Armed Party*, whose declared aim is to violently subvert the reigning institutions. This Armed Party would now win political recognition from the Italian state, for which the terrorists' crimes would be susceptible of clemency, as they were conducted for political ends!

This monstrous manipulation is based on the old sociological thesis which claimed that the events that began with the 1968 "youth protest" and led to the shooting war that began in 1969, were to be blamed on the injustices in civil society, injustices which alone prompted young idealists to take up armed struggle.

But only when law enforcement rejected that sociological theory, was there a militarily effective response to the "Strategy of Tension" which claimed hundreds of innocent lives in both blind and targeted terror, and today it would be all the more disastrous for Italy to accept that approach. Piperno and his "Worker Power" organization were in fact indicted in the late 1970s, when Italy's magistrates overthrew the sociological thesis.

We are speaking of the terrorists of both "left" and "right," who have been tried over the years for carrying out the Bank of Agriculture massacre in Milan in 1969, multiple train bombings that murdered hundreds in the 1970s, the kidnap and murder of former Prime Minister Aldo Moro in 1976, the 1981 Bologna train station massacre, and countless other kidnappings and murders over the last decade and a half.

## The Armed Party

The Armed Party was in fact the outcome of a coordinated action, between indoctrination and the creation of a clandestine apparatus of communist ideology inside the country, and the work of the secret services of certain foreign countries, predominantly the Soviet KGB and GRU (military intelligence). This has been made quite clear by testimony during the proceedings of various terrorist trials.

The initiator of the Armed Party in Italy was the well-known red billionaire, Giangiacomo Feltrinelli, who died in 1972 while attempting to blow up a power line near Milan. Suspended from the Italian Communist Party as soon as he started organizing terrorist subversive actions, Feltrinelli took his orders straight from Havana and Prague. It was he who financed "Potere Operaio," or Worker Power.

In Zurich he founded an "international office" in the bookstore Eco Libro, which became the headquarters for international coordination of terrorist outfits; ongoing contacts were made with the Baader Meinhof gang of West Germany, the IRA in Northern Ireland, the Basque ETA in Spain, the ultraleft in France, Palestinian terrorist formations, and the exiled Tupamaros of Argentina.

These armed groups held their first summit in Florence in 1971, a meeting sponsored by Worker Power and Feltrinelli. Needless to say, they discussed the military apparatus needed



for the subversion of Europe.

In this regard it is interesting to recall that Feltrinelli himself wrote a letter to Franco Piperno, known as "Saetta" (Arrow), in which he proposed to share between them an underground army of national liberation which would deploy in northern Italy. Piperno considered Feltrinelli, code-named Osvaldo, "one of the few revolutionaries who had undertaken the right road . . . the only correct road toward revolution."

The role of the Soviets was crucial from the beginning. From the middle of the 1960s, the Kremlin started to cast a benign eye on the "adventurers of terrorism"; all the liberation movements and extremist grouplets, even if they were anti-Stalinist or Trotskyist, were encouraged.

According to statements by the military adviser of the Czechoslovak Communist Party, Gen. Jan Sejna, now in exile in the West, already in 1964 the Soviet Politburo had decided to increase expenditures for terrorism in the West by 1,000%. The secret services of all the countries of the Communist bloc were committed to the recruitment of spies to be inserted into the terrorist movements. Training camps were set up in various parts of the world.

It was precisely in the camps which the KGB had opened in Karlovy Vary and Doupov, nearly Prague, that Feltrinelli and other Italians such as Red Brigades leaders Curcio, Franceschini, Spazzali, Viale, et al. were trained in the use of weapons and explosives.

### Outside forces

It is therefore clear that we are not dealing with some poor youths who got carried away by radical ideas, but with conscious instruments at the service of a plan for violent upheaval, conducted in cahoots with foreign forces inimical to Italy, in the name of an imaginary communist-type revolution.

Even today, Piperno repeated during an interview that he considers himself still a "son of the Italian Communist Party," and Franceschini, who was a member of the Italian Communist Youth Federation, now works as the special correspondent of the bimonthly review *Ora d'Aria*, a publishing venture of ARCI, the Communist-Socialist cultural front, which is supposed to give a voice to prisoners.

It is therefore quite understandable why the Communist Party is interested in amnesty for the terrorists; it is not so clear why Hon. Flaminio Piccoli, often seen in the past as the leader of conservatives in the Christian Democracy, has made himself the promoter of this initiative.

Rumors in political circles have suggested that Piccoli—formerly Christian Democratic Party secretary—is aiming at regaining power both in his own party and in the government, and has found no better means than to propose actions which will curry favor with the Italian Communist Party chief Alessandro Natta as well as with Gorbachov.

Such, it seems, is the climate in Western Europe after the Reagan-Gorbachov summit.

## Project Democracy:

### The 'parallel government' behind the Iran-Contra affair

An invisible, parallel government has been running U.S. foreign policy and economic policy—into a series of disasters that leave us open to Soviet conquest. Now, this invisible government can be exposed and driven from power. The United States can regain its sovereignty.

Order *EIR's Special Report*, for yourself and your congressman. Full documentation of the investigation behind the exclusive news stories you read in *EIR*. An indexed guide to Israeli and Soviet foreign intelligence networks in the Department of Justice and other government agencies, as well as the key "private" law firms, with greater power than most elected officials.

Please send me \_\_\_\_\_ copies of the "Project Democracy" Special Report at \$250 each postpaid. Please send (Rep. or Sen.) \_\_\_\_\_ a complimentary copy of the Report, at \$250 each postpaid. I enclose \$ \_\_\_\_\_ check or money order.

Please charge my  MasterCard  Visa

No. \_\_\_\_\_ Exp. Date \_\_\_\_\_

Signature \_\_\_\_\_

Name \_\_\_\_\_

Street \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Telephone \_\_\_\_\_

Make check or money order payable to:  
**EIR News Service**  
P.O. Box 17390  
Washington, D.C. 20041-0390

## Mafia comeback on Libya-Malta axis?

*Plans to make Malta into a "free port" may play into the hands of the Bulgarian Connection.*

Immediately after the "maxi-trial" against the mafia in Palermo, which ended in December with sentences of 26 centuries in prison and 11 billion liras' worth of fines imposed on dozens of mafiosi, a wave of mafia assassinations shook Sicily. The latest of these was the murder of the ex-mayor of Palermo, Insalaco, while in December shivers ran through the American political world when in Barcelona, near Messina, the cousin of the wife of New York Governor Mario Cuomo was killed.

No one has ever fooled himself that the Palermo "maxi-trial" was anything more than one step in the war on the mafia. It has been noted that the part of the mafia which was hit operates by the old rules, and that there is a new mafia which operates by more modern managerial rules, pivoted on recycling and reinvesting dirty capital through the "offshore" stock markets from New York to Milan, in high-finance deals which pump up the swollen speculative bubble of the financial markets.

Judge Giovanni Falcone noted the existence of a "stasis in refinement [of drugs] . . . the tendency to control the traffic without refining or passing through Sicily." This means to control the financial side of the drug traffic, while letting others taking care of the marketing.

In this context, the island of Malta seems to want to become a new "Hong Kong" in the Mediterranean. Situated between Sicily, Libya, and Tunisia, Malta is at the center of navigation routes between the eastern and western Mediterranean.

The Christian Democratic admin-

istration which has ruled the island nation since May 1987 under Premier Ferenc Adami, which seemed to want to radically change the orientation imposed for the 16 preceding years by the Labor Party, is in fact following its predecessor's policies to the letter.

Malta's Minister of Ports Joa Fenech announced that he wants to turn the island into an "offshore" market, "a center which permits foreign-to-foreign exchange. Hence, legislation and services for banks, insurance companies, registering of corporations, commercial activities and trusts, registration of ships . . . warehousing for resupplies, free port." Chase Manhattan Bank, representing the financial empire linked to the Rockefeller family most noted in this century for financial imperialism in Ibero-America, will be in charge of setting up this new Mediterranean Hong Kong.

Years back there was talk of creating in Sicily a financial and commercial center of that type, which would have facilitated mafia operations: from the drug traffic, to its financing, to arms trafficking. The scheme did not work out in Sicily, but appears to be on the drawing boards for Malta, just 100 or so kilometers away. From the mafia's standpoint, besides its geographical advantages, Malta has the bonus that it is halfway to Libya, where the mafia has privileged ties.

The new Christian Democratic government has not altered a comma in the previous Labor government's pro-Libyan policy and has kept such an open door to Libya, that there are even rumors that Libya and Malta might issue a common passport to both

countries' citizens. Libya has been for some time demanding entry into the European Community, and seems to want to use Malta as a lever to obtain this.

Before he was assassinated, Palermo Mayor Insalaco's last journey was to Malta, in March of 1987. The mafia's "Malta Connection" came to light when on Dec. 5 the ex-minister of justice of Malta, Joseph Brincat, was arrested while removing jewels, gold bullion ingots, and banknotes worth about 200 million liras from the false bottom of a car that had crashed.

The auto, which apparently had been used to smuggle illicit merchandise, belonged to a friend of his, Maltese jeweler Colin Shires. One of the banknotes retrieved came from the money paid to ransom Claudio Fiorentino, a Palermo jeweler who, shortly before his kidnaping had been accused, together with other members of his family, of illegally stashing capital abroad and evading Italian taxes. In short, he was charged with smuggling jewels and gold, apparently a brisk trade between Malta and Italy.

A Maltese citizen, Antony Cremona, was charged with the kidnaping. Italy awaits Cremona's extradition from Belgium where he is in jail. Cremona is a goldsmith. Everyone knows that gold and jewels are instruments commonly used to recycle dirty money from the illicit arms and drugs traffic.

The fact that Brincat was freed, after the Maltese government squeezed Italy hard, does not cancel the overall reality of an Italy-Malta drug network. Given the Libya-Malta ties and Malta's strategic location between East and West, politically as well as geographically, Malta has become an ideal center for those shady deals which first came to light with the so-called Bulgarian Connection.

## Perestroika and the Muscovite empire

*The Church is steering the cultural side of the "new thinking," to celebrate the literary heroes of Russian imperial expansion.*

At a press conference concluding the Second East-West seminar on "The Theology of Peace" in Budapest Dec. 14-19, Orthodox Archbishop Kirill of Smolensk was asked, "What effect do perestroika and glasnost have on the Church in the U.S.S.R.?" Archbishop Kirill, formerly rector of the Leningrad Theological Academy, replied that perestroika and glasnost were, in effect, products of the Church.

The impact of relations between the Church and Gorbachov's "new thinking" was in the "reverse direction," he stated. The Soviet state "finds its source in traditional Russian spiritual values as expressed in traditional Russian culture. . . . These, in turn, have their source in Russian Orthodoxy."

This was no empty boast. The Soviet state is now following the Church in reviving Russian imperial historiography, especially the works of Karamzin, S. Solovyov, and V.O. Klyuchevsky—all 19th-century proponents of the Holy Alliance/Holy Russia idea (see *EIR*, Jan. 15, 1988).

The latest to be revived is Vasilii Osipovich Klyuchevsky (1841-1911), a contemporary and collaborator of Fyodor Dostoevsky, the author of the Russian *Mein Kampf*, *Diary of a Writer*.

"The young generation of the late fifties to the present has grown up without the history of Klyuchevsky, and we have reaped the bitter fruits of this," Academician Konstantin Kedrov complained in the Soviet government paper *Izvestia* Jan 6. Kedrov's

lengthy piece, "Our Contemporary Vasilii Klyuchevsky," stated that it is crucial to restore "Russian pride" and "national-consciousness," but without "vulgar Russian chauvinism."

Arch-Russian chauvinist movements like the "notorious" Pamyat (Memory) society, argues Kedrov, are not what will secure the love of Russian youth for Russian culture. Pamyat is a function of the "vacuum" existing today in Russian history and culture. By contrast, the preachings of historians Karamzin, Solovyov, and Klyuchevsky, "possessed a visionary spirit. They are the best antidotes to nationalistic and nihilistic intoxication. . . . We need Great Russians who go forward and not backward," sums up Kedrov's message.

The 1,000th anniversary of the Christianization of Holy Rus provides a perfect opportunity for Russian "history, religion, and culture" to be reviewed "in a new way," he stated.

The campaign to revive Klyuchevsky began last year, when the Moscow Patriarchate's journal issued a call for the publication of his works. Klyuchevsky, like his teacher S. Solovyov, came from a family who for generations had served the Church. "V.O. Klyuchevsky contributed much to Russian history. . . . His works are inseparable from the history of the Russian Orthodox Church," wrote the *Journal of the Moscow Patriarchate* (No. 2, 1987). "V.O. Klyuchevsky, just as his great contemporary, F.M. Dostoevsky, never separated the social ideals of the Russian people from

national righteousness."

Klyuchevsky celebrated the mystics of Russian imperialism, the "good men of Old Russia." They were, says the *Journal*, "The restorers of the Russian motherland," Saints Alexei of Moscow, Sergei of Radonezh, Stephan of Perm, Patriarch Germogen, "a fearless fighter for Orthodoxy against the alien invaders, the Poles." In other words, the "heroes" of "Holy Russia," who in battles and diplomatic intrigue helped expand the Russian Empire.

Said the *Journal*, they were responsible for the "mustering of the Russian lands round Moscow; the opening up of the new lands in Northern Russia, the conversion of the heathens beyond the Volga, and the concentration of the political-military forces of the nation."

The *Journal* calls Klyuchevsky and Dostoevsky the two writers who most contributed with their "social sermons" to Russia's "moral and national revival," by working for the overthrow of the Old Empire, to eliminate the Western influences that had permeated Romanov Russia.

The last writings of Klyuchevsky, (*Essays and Speeches*, 1913) have a haunting quality when viewed with a knowledge of what today's leadership is striving to accomplish regarding Russian national rejuvenation. He wrote: "One of the distinguishing features of a great nation is its ability to rise again after the fall. However hard its abasement, the hour will come when it will gather its scattered moral forces and embody them in several great men, who will lead the nation to its temporarily abandoned straight path of history. . . ."

"And now, 75 years after his death, we must master the great historical lesson, which the name of V.O. Klyuchevsky reminds us of."

## The Soviets rearm on Norway's border

*While the INF treaty cuts ground-based missiles, new Soviet sea-launched missiles are based in northern Europe.*

Well-timed with Soviet Premier Nikolai Ryzhkov's Jan. 11-15 visit to Sweden and Norway, untiringly sermonizing about peace and cooperation in Northern Europe, Norwegian Military Intelligence issued new information concerning the Soviet buildup of sea-launched nuclear missiles in the region adjacent to northern Norway.

The added Soviet missile capabilities now unveiled fly in the face of the INF treaty signed by President Reagan and General Secretary Gorbachov during the infamous Pearl Harbor Day summit last December. While Moscow is accusing the West of darkly plotting to circumvent the spirit of the INF treaty, the Soviets themselves have already deployed new weapon systems which expose the treaty as a sham.

According to the new revelations, a Norwegian P-3B Orion reconnaissance plane recently returned from the Barents Sea with some very interesting pictures taken of a Soviet Yankee Class submarine.

The pictures, according to the Norwegian daily *Aftenposten* of Jan. 12, "are concrete proof that the Soviet leadership a long time ago decided to rebuild this kind of submarine to be a platform for completely new kinds of weapons. A costly and extensive reconstruction had been done, the hull had been made 10 meters longer and the tower 3 meters longer. The ship probably is now able to carry both torpedoes and long-range cruise missiles, and has received new fire-control and sonar systems. It appears to be a ship meant to be used as an attack

submarine, and ought probably to be regarded as a new kind of submarine."

Since 1978, at least 15 Yankee Class ballistic missile submarines were removed from duty in compliance with the 1972 SALT I treaty. The new observations confirm that the Yankee Class submarines removed under the SALT treaty, are converted and re-launched as attack and cruise missile submarines. According to *Aftenposten*, "the pictures show a Soviet escalation on an important maritime sector, and indicate how doubtful the INF treaty can turn out to be, as seen from a northern European point of view."

According to the Norwegian daily, "the Yankee Class submarines are likely to be able to carry the long-range missile SS-NX-24, which is nuclear-tipped. A smaller cruise missile with the code SS-NX-21 has also been developed. It is designed to fit the standard torpedo tubes used by Soviet ships and is probably deployed on the submarines of Yankee, Victor, Akula, and Sierra Classes. The consequence of this is that both the Norwegian Sea and Norwegian territory will come more into focus and be of more strategic importance than the INF treaty."

Polemizing against Gorbachov's October 1987 Murmansk speech, in which he claimed to have limited military activity in areas bordering on Scandinavia, *Aftenposten* wrote:

"It's hard to see that Gorbachov's description coheres with reality; the contrary seems to be the case. According to Norwegian Military Intelligence, during 1987 there were large-scale modernizing efforts and an ex-

tension of the military forces on the Kola Peninsula. The advanced fighter-interceptor Su-27 Flanker for the first time was stationed in the north. An aircraft matching any of the American fighters on the scene, the Su-27, with its 1,000-kilometer range, gives important support to long-range operations aimed at Soviet control over the Norwegian Sea or parts of Norway itself. Also the early-warning and command plane Mainstay appeared last year at the Kola."

A new feature of the two large Soviet Navy exercises in 1987, was the participation of bigger air forces, *Aftenposten* noted. In one period of the exercises, they ran 50-60 air formations a day, with up to 20 jet fighters involved in each.

No sooner had Ryzhkov left than the chief of Norwegian Military Intelligence, Rear Adm. Egil J. Eikanger, in a Jan. 18 address to the Oslo Military Society, revealed that the world's largest submarine, the Soviet Typhoon Class strategic missile sub, has been stationed at a newly expanded submarine base less than 50 kilometers away from Norway's border.

A Norwegian P-3B Orion reconnaissance plane has also taken pictures of the new Soviet supply ship for strategic missile submarines, *Aleksandr Brykin*, the construction of which was completed in Leningrad last year. The *Aleksandr Brykin* is the first unit of a new class of submarine tenders, designed to resupply the most modern Soviet strategic missile submarines, such as those of the Typhoon Class, with up to 16 new missiles, after the submarine has fired some of its own missiles. The Typhoon Class submarines carry 20 SS-N-20 missiles, each with six to nine nuclear warheads that can strike targets anywhere in the U.S. from their home waters in the Barents Sea, or from positions below the North Pole's icecap.

## The narco-Bolivian model

*The Mexico/Morgan Economic Solidarity Pact is the same that delivered Bolivia into the arms of Dope, Inc.*

Since the unveiling last Dec. 15 of the brutal austerity shock plan known as the Economic Solidarity Pact (PASE), President Miguel de la Madrid has insisted that it bears no similarity to other economic programs, such as those of Brazil and Argentina, which have already fully demonstrated their failure. However, there is a persistent rumor that the precedent for the new Mexico program is actually Bolivia.

Financial columnist Luis E. Mercado, mouthpiece of Bank of Mexico director Miguel Mancera Aguayo, wrote in a recent column in the daily *El Universal*, that the same plan had already been imposed on Bolivia's labor movement "at the point of bayonets," but that in Mexico the political system was sufficiently strong to enforce it "peacefully." Hidden in Mercado's expression of confidence was a sneering reference to Mexico's labor movement, the Mexican Workers Confederation (CTM), which abandoned its umpteenth threat of a national strike on Dec. 15, and acquiesced in the Pact.

In private, some labor leaders are consoling themselves with the illusion that in Bolivia, the shock plan at least yielded results. However, what Mercado does not write is that the Bolivian measures of "economic opening" to foreign investment facilitated the takeover of that nation by the drug mafia. This was admitted by Bolivian Planning Minister Roberto Jordan Pando, during the first week of January, when he declared: "\$3.6 billion of the \$4.5 billion Gross National

Product comes from coca." A full 80% of the GNP!

*EIR* has proof positive that not only is the Mexican plan comparable to the Bolivian one, but is being put in place by the very architects of the Bolivian plan. It appears that the specialist on Bolivia's New Economic Policy (PNE), Allen Sangines Krauze, is also an adviser to the Bank of Mexico's Mancera, and to Budget and Planning Minister Pedro Aspe Armella, co-authors of the Mexican PASE.

In a seminar at the Autonomous Technological Institute of Mexico, Sangines claimed authorship of both plans. Sanignes distributed, to various specialized publications, a document produced by the Bolivian economic ministry on the PNE, in which the similarities between the PNE and Mexico's PASE are glaringly evident. In both cases one can find the monetarist's emphasis on "structural change." According to the PNE, such structural change "is based on reducing the meddling of the state in economic activity," a line which the Mexican government has followed to the letter.

The PNE proposes the "liberalization of foreign trade . . . [with] a uniform customs tariff," a policy with which Mexico has already complied by joining GATT. But the real key is the "determination of a flexible exchange rate, to permit the unrestrained sale and purchase of foreign currencies in any kind of economic transaction and for every individual and corporation." In other words, legalized laundering of dirty money from the

drug trade.

Together with the "elimination of price controls and subsidies granted to internally produced goods," the PNE also demands that public sector service rates be brought to "competitive international levels" (Mexico raised them 80-85% at the beginning of this year), and the "free determination of interest rates," which in effect makes it unproductive to produce anything other than narcotics. Mexican interest rates are already above 150% a year.

This Bolivian package has already put Mexico on the path to the drug mafia's takeover of the economy.

It is no accident that the Mexican PASE was agreed upon with the Morgan banking house, in exchange for the "zero bonds" deal, according to which Mexico will buy up part of its foreign debt at half its value. In addition to its fame as the architect of the conditionalities on Germany's World War I reparations payments, and as one of Hitler's financiers, the House of Morgan created the Meyer Lansky/Arnold Rothstein mafia, which spread an empire of alcohol, gambling casinos, and drugs in the United States—in large part, through illegal trafficking from Mexico.

Perhaps this is the answer to a question recently posed by columnist José Luis Mejías, in his Jan. 20 column in the daily *Excelsior*. Mejías had asked, "Why was the agent chosen the Morgan Bank, whose fame in stratagems, deceits, scheming and artifice is proverbial since the last century?" Mejías recalls that "of the founder of the House, the famous J.P., it is said that once one of his partners, Judge Gary, dared to tell him that something he had proposed was illegal, to which the financier snorted: 'Look, I don't need a lawyer to tell me what I can't legally do. I pay you to tell me how to legally do what I want.'"

# International Intelligence

## ***Mafia threatens 'bloodbath' in Dominican Republic***

The drug mafia in the Dominican Republic has threatened a "bloodbath" in Santiago against any who oppose their murderous operations.

At the end of January, numerous lawyers, journalists, leaders of clubs, and sports teams, were threatened with death by drug traffickers. The president of the Association of Lawyers of Santiago, the Dominican Republic's second largest city, reported that he, his wife and children were threatened with death by the mob. They were told that if he persisted in his attacks on drug trafficking, he and his loved ones "are running the risk of death."

Attacks on drug traffickers intensified following the freeing of 21 prisoners accused by the police of trafficking in drugs.

## ***Historian hits handling of Kurt Waldheim affair***

U.S. military historian and retired general James Collins, the American member of the commission investigating the war record of Austrian President Kurt Waldheim, has issued a challenge to the U.S. Justice Department's handling of the Waldheim affair. The Justice Department banned Waldheim from entering the United States, on unproven charges that he is a Nazi war criminal.

Collins was reacting to a statement by the new U.S. ambassador to Vienna, Henry Grunwald, who told the Austrian daily *Die Presse* Jan. 26 that he could not imagine the commission coming up with any other conclusion than that of the U.S. Justice Department.

Collins retorted that the Justice Department had not offered any evidence. Nor, he said, had the commission's contact with the World Jewish Congress, Waldheim's original accusers, been very useful or fruitful.

According to a report in the British newspaper the *Independent* on Jan. 27, other members of the commission are ignoring

the testimony of retired Yugoslav archivist Ducan Plenca, who has suddenly emerged with new charges implicating Waldheim in "war crimes"; Plenca is "like many of Mr. Waldheim's Johnny-come-lately accusers," comments the *Independent*.

## ***Brezhnev's son-in-law faces 'corruption' trial***

Yuri Churbanov, the son-in-law of the late Soviet leader Leonid Brezhnev, will go on trial for "corruption," the Soviet news agency TASS announced on Jan. 26. Churbanov was a former deputy interior minister, and has been in jail since 1983. He is charged with "accepting bribes" and "abuse of office."

According to TASS: "At present the accused is being acquainted with the material of the investigation, after which he will be brought to trial." Most sources are convinced that he will receive the death penalty.

Earlier in January, Brezhnev's former private secretary, Gennadi Brovin, was sentenced to nine years in prison for having received 19,000 rubles in bribes, and having misused "off limits" Kremlin telephones.

"Anti-corruption" show trials will also soon begin in Uzbekistan, involving former high-level Communist Party functionaries. Previous trials in Uzbekistan under Mikhail Gorbachov's perestroika regime have resulted in at least five death sentences to date: the former interior minister and three of his deputies, and the former cotton minister.

## ***Shamir to meet Reagan on West Bank unrest***

Israeli Prime Minister Yitzhak Shamir will come to Washington, D.C. on March 16 for discussions with President Reagan and other U.S. officials, White House spokesman Marlin Fitzwater announced on Jan. 22. "It is fair to say that the problems of the West Bank and Gaza have given new urgency to this," he said.

Other officials indicated that the trip had been in the works since November and should

be viewed as part of continuing U.S. consultations on the Middle East.

Among the new latest developments in the crisis, Arab East Jerusalem was put under military rule at the end of January, for the first time since 1967, to prevent further demonstrations. The move was sharply criticized by Jerusalem Mayor Teddy Kollek, who said that he had not been consulted, and warned that it would only increase tensions.

The *Jerusalem Post* on Jan. 22 commented that the "hidden hand" behind the West Bank and Gaza demonstrations is represented by the growing cooperation between Yasser Arafat's Palestine Liberation Organization (PLO) and the Islamic fundamentalists of the Jihad movement. It quoted one Jerusalem Palestinian that, despite Israel's efforts to play the Islamicists against the PLO, the PLO-Islamicist relationship has grown over the year, especially inside Israeli jails. The cooperation was made official last April, when two Islamicists were elected to the Palestinian National Council.

Prime Minister Shamir denounced the PLO-Jihad collaboration in an interview in the West German daily *Bild Zeitung* published on Jan. 22.

## ***Unrest grows in Argentina's Army***

As many as 300 Argentine Army officers are under arrest and facing court-martial for supporting Lt-Col. Aldo Rico's uprising in January, including about 60 commissioned and 220 or more non-commissioned officers. But most of the military, although sympathizing with Rico, refused to be drawn into his suicidal action. As a result, despite the defeat of Rico, observers are reporting that the Army is now more unified than before around demands for better treatment.

The dissatisfaction against the government of President Raúl Alfonsín is being fed by the fact that, in the past two years, the officers of the Argentine Army have suffered a 50% decline in real salaries due to budget cuts for the military. Military spending has fallen from 4.6% of the GNP to 2%, and the number of conscripts is down from

## Briefly

85,000 to 25,000. There is a serious lack of spare parts that has grounded a great deal of military equipment, especially airplanes.

### **Arson attack targets Franco-German alliance**

Two heavy arson attacks destroyed offices of the French Renault corporation in Hamburg, West Germany on Jan. 25, causing several million deutschemarks of damage. The move comes as French and German leaders have been mapping out a program for increased military and political cooperation.

The Institut Français in Hamburg found a letter in its mailbox, which stated that the two attacks had been carried out by supporters of the Direct Action terrorist gang, leading members of which are on trial in Paris. The letter referred to the developing Franco-German cooperation as "repressive" and announced more such attacks to come.

The incident corroborates warning statements one week before by German anti-terror police, that attacks on "political-economic and military institutions of the new Franco-German cooperation" are to be expected.

### **NATO commander wants new missiles for Europe**

NATO Supreme Commander Gen. John Galvin has charged that the Soviets began bringing short-range missiles into Eastern Europe, to replace those that are supposed to be dismantled under the INF accord, immediately after the pact was signed in December 1987. In a breakfast meeting with defense correspondents in Washington, D.C. on Jan. 23, he urged that the United States deploy new short-range nuclear missiles in Europe, to compensate for the firepower that would be lost by the withdrawal of intermediate-range nuclear forces.

Galvin underlined that the Soviet moves mean that charges which Soviet Foreign

Minister Eduard Shevardnadze raised on his recent visit to Bonn, against modernization of NATO short-range missiles, are "mere propaganda."

Galvin said he supports the INF pact, and that reductions by the Warsaw Pact and NATO could save money, but said that the agreement will carry "more risk than we ought to be ready to take" unless it is offset by upgrading NATO's nuclear and conventional arsenals.

Galvin recommended development of a nuclear-tipped successor to the Lance ground-based nuclear missile, which could be launched by fighter planes, and an increase above the current ceiling of 1,000 rounds on nuclear artillery, "because that makes the whole defensive setup less vulnerable." He also recommended modernizing existing nuclear bombs. He called for modernization of conventional forces and the development of new weapons, such as the Air Force's Joint Surveillance and Target Attack Radar System.

### **AIDS scare reported in the Soviet Union**

There is a growing "AIDS scare" in the U.S.S.R., accompanied by propaganda painting AIDS victims as inferior undesirables, the Italian daily *Corriere della Sera* reported on Jan. 27.

The Soviet trade union newspaper *Trud* recently revealed that Russians are afraid to go to laboratories, barber shops, manicure parlors, cafes, and public baths. Some bars and restaurants are now deserted.

*Trud* and other Soviet publications report that they have received hundreds of letters on AIDS. One contained a proposal for tattooing homosexuals, drug-addicts, and prostitutes. Another proposed testing all pregnant women, and forcing abortions for those testing positive.

*Corriere* reports that the Soviets are planning to create 1,000 laboratories for AIDS testing (20 now exist), despite the official claim that only 265 people in the Soviet Union are infected, and only 4 people have actually been sick with the disease.

● **BRITISH NUCLEAR** scientist Russell Smith, who worked at the Harwell nuclear research center, is reported missing. His case may be related to those of six British researchers involved in SDI-related research who died in 1987 under suspicious circumstances.

● **A NEW ROUND** of Soviet-Israeli negotiations was held in mid-January in Helsinki, Finland, chaired by Michael Novick of the Israeli foreign ministry. According to Soviet foreign ministry spokesman Gennadi Gerasimov, an agreement was reached for an Israeli consular delegation to visit Moscow soon to "inspect Israeli properties."

● **THE POLLARD** spy network will be the subject of a new *EIR* Special Report, scheduled for release soon. It will feature new material on the Soviet-Israeli "false flag" espionage operation originally exposed with the November 1985 arrest of Jonathan J. Pollard, and will analyze the December 1987 arrest in Israel of accused Soviet spy Shabtai Kalmanovich.

● **U.S. INTELLIGENCE** agencies are convinced that Soviet laser attacks have damaged American spy satellites deployed to monitor missile and spacecraft launchings at the Soviet space center at Tyuratam, according to a UPI wire of Jan. 24.

● **PALESTINIAN** moderate leader Hanna Siniora, editor of the Arabic Jerusalem daily *Al Fajr*, proposed a new initiative for dealing with the crisis in Israel, in a commentary in the *Washington Post* published Jan. 28. He called for a political combination of the Palestinians, a faction of the Labour Party, and a faction of the Likud to achieve peace, with the leadership and mediation of Egyptian President Hosni Mubarak. Siniora gave an exclusive interview to *EIR*, Aug. 8, 1986.

## Charges of Soviet cheating dominate INF hearings

by Kathleen Klenetsky

The U.S. Senate ratification hearings on the INF treaty opened Jan. 25, highlighted by explosive new revelations which, if enough patriots still exist on Capitol Hill, could lead to Senate rejection of the "New Munich" pact.

What the Reagan administration had hoped would be a relatively smooth three-month ratification process, punctuated by some untoward but ultimately controllable opposition, and terminating in near-unanimous approval, started out instead as a vehicle for foes of the agreement to force the spotlight on the treaty's fatal flaws. This despite the fact that Sens. Claiborne Pell and Sam Nunn, chairmen of the two panels which began their hearings on the Jan. 25 (Foreign Relations and Armed Services, respectively) had stacked the witness list in favor of treaty proponents, as Sen. Gordon Humphrey (R-Me.) angrily pointed out, and had refused to allow key opponents of the treaty, notably the Schiller Institute, to testify at all.

The opposition's agenda was established by Sen. Jesse Helms, ranking Republican on the Senate Foreign Relations Committee, who dropped some precisely targeted megaton bombs on the treaty during the first days of deliberations. Helms characterized the treaty as "an engraved invitation for the Soviets to cheat," and is expected to offer a number of "killer amendments," to the treaty, so-called because they would require renegotiation with the Soviets, an eventuality the Soviets have already said would mean the agreement's death.

### 'Major Soviet violations'

First, Helms charged that the Soviets are *already* violating the pact, signed just six weeks ago. In letters sent to CIA director William Webster and National Security Agency di-

rector William Odom Jan. 23, which contained "top secret" information, Helms called for an immediate review of a what he termed a "major violation" of the accord. "If the classified information is accurate," Helms said, "I question whether there should be further Senate action at this time on the proposed treaty."

Helms was referring to a new National Intelligence Estimate, which reportedly contends that the Soviets have a secret large-scale deployment of SS-20s that Moscow's negotiators failed to disclose during the negotiations. Citing a Defense Intelligence Agency estimate, which puts the number of Soviet SS-20s much higher than either the CIA or State Department, Helms declared that the 650 SS-20s acknowledged by the Soviets in the INF treaty is an "absurdly low" figure. Moreover, "If we want to look for the rest of the SS-20s, the treaty forbids it."

CIA director Webster, in a response to Helms's letter, was forced to concede that the senator's information was "substantively accurate," although he nevertheless insisted that it was not reason enough to reject the treaty.

According to a leak in the Jan. 28 *Washington Times*, the NIE has raised serious doubts about the U.S.'s ability to detect INF cheating. "We will not be able to verify some part of the INF treaty with adequate confidence to ensure compliance," an official familiar with the secret report told the *Times*, which reported that the NIE includes the following assessments:

- Since the INF treaty was signed Dec. 8, U.S. intelligence monitors have detected 80-100 SS-20 missile launchers located at areas not declared to be bases by the treaty, and therefore, not open to U.S. inspection.
- Evidence exists of a covert force of SS-20s that may



be twice as large as the number of missiles slated for destruction under the treaty.

- At least nine Strategic Rocket Forces SS-20 rear storage depots associated with SS-20 launchers were not disclosed by the Soviets in data supplied with the INF treaty, and therefore will not be subject to U.S. inspection.

- Under the terms of the pact, the Soviets can easily circumvent the ban on short-range SS-23 missiles by modifying it or deploying a newer missile with a range of less than 300 miles.

Some of this information was contained in a 180-page, line-by-line critique of the treaty, prepared by the Senate Foreign Relations Committee minority staff, which Helms has circulated throughout the Senate. Entitled "The Treaty on Intermediate-Range Nuclear Weapons: Does It Decrease—or Increase—the Danger of Nuclear War?" the study repeats the accusations concerning the hidden caches of SS-20s, and lists another 200 "loopholes" in the pact.

During the hearings, Helms kept hitting on these and other issues, much to the discomfort of such witnesses as Secretary of State George Shultz, who could only offer extremely weak rebuttals, and insist, against all the evidence, that the pact was a good deal for the West.

Helms scored important points on another aspect of the agreement: the fact that it does not require the most important and expensive components of the INF warheads—their fissionable material and guidance systems—to be dismantled. In a rancorous exchange with U.S. arms negotiators Max Kampelman and Maynard Glitman, Helms accused Shultz of having misleadingly implied that the warheads would be destroyed.

Helms hammered home that the treaty's failure to require warhead-dismantling will permit the Soviets to remove these warhead components from the SS-20 and "rebolt" them on other missiles, particularly the long-range SS-25s, which are similar in many respects to their shorter-range cousins. Since there are many more SS-20s than Pershing IIs, the Soviets will have that much more fissionable material (Helms estimated a 12:1 kilotonnage advantage for the Soviets) to use on its other missiles. After first insisting that that could not happen, Glitman was forced to respond that the U.S. has no control over what the Soviets do with the warhead components from the SS-20s. The treaty "permits both sides to retain that nuclear material," he said. "And what . . . they do with it . . . they are free to do." Asked whether there is anything in the treaty that would prevent the Soviets from going on a "binge of producing new nuclear warheads of any dimension," Glitman admitted that there is not.

Helms, along with Senator Humphrey, also repeatedly emphasized that the treaty does nothing to prevent the Soviets from retargeting their SS-25s on European objectives previously covered by the SS-20s. Questioning Defense Secretary Frank Carlucci on this, Humphrey noted that former NATO Supreme Commander Gen. Bernard Rogers has warned that

under INF, the Soviets are giving up only about 3% of their current nuclear warheads. "Almost all of the remaining 97% can strike Western Europe if the Soviets wish." Carlucci responded by insisting, with no evidence whatever, that Moscow wouldn't retarget its SS-25s, because this would "disrupt planning."

Another issue of importance that was raised concerns U.S. and NATO defense-spending plans. The Reagan administration and other treaty supporters have blithely assured everyone concerned that the U.S. intends to beef up its spending to modernize NATO forces. But even assuming that such modernization plans would compensate for the loss of the Euromissiles, which is emphatically not the case, the balance-the-budget idiocy which has overtaken the U.S. will prevent any such increase from taking place. As Joint Chiefs of Staff chairman Adm. William Crowe admitted at one point, significant increases in NATO military spending "are not in the tea leaves."

### **Will the opposition succeed?**

Thus far, Helms's charges have dominated the hearings; so much so, in fact, that a cabal of pro-INF senators, including plagiarist Joe Biden (D-Del.) and Majority Whip Alan Cranston (D-Calif.) have been forced to form a "Helms Watch" to try to shut Helms up.

Although Helms has definitely been leading the anti-treaty charge, other senators have also voiced grave reservations. Sen. Larry Pressler (R-S.D.), who has filed an amendment making treaty implementation contingent upon deep reductions in Warsaw Pact conventional forces, pressed witnesses on what the U.S. intends to do about the tremendous preponderance the Soviets have over NATO in these capabilities. Sen. Richard Shelby (D-Ala.), the only Democratic senator publicly opposed to the treaty, raised the same concern, insisting that, "This is an issue that must be explored during the Senate hearings."

While these attacks are all well and good, they involve several problems. First, they do not address the fundamental issue of the INF treaty: namely, that the new Soviet order of battle compensates for the loss of the SS-20s with irregular warfare and emerging radio frequency weapons. Second, the arms control gang has seized upon some of the criticisms raised, especially those concerning SS-25 retargeting and conventional force imbalances, to insist that these problems can be solved if the U.S. would rush into new agreements with Moscow governing strategic and conventional arms.

Moreover, *EIR* has learned, a number of self-styled conservatives, who claim to have serious objections to the treaty, have deployed themselves to steer resistance to the treaty into impotent channels. Henry Kissinger traveled to Western Europe in late January to persuade treaty opponents that even though the treaty is flawed, they should not oppose its ratification. Sen. Malcolm Wallop (R-Wyo.), a cousin of England's Queen Elizabeth, played a similar role in London,

where he has been warning opponents of the pact that if they were to testify against it in the U.S., this would cause a backlash and feed into the "Fortress America" mentality. Meanwhile, the office of Project Democracy asset Sen. Patrick Moynihan (D-N.Y.), has been caught harassing opponents of the treaty who have been working with the Ad Hoc Committee to Stop the INF Treaty. These developments underscore how important it is for popular pressure to be brought upon the Senate to reject the pact. To expect the Senate to do so on its own is wishful thinking that can only end in disaster.

---

## Documentation

---

*Sen. Jesse Helms, in statements preparatory to grilling senior Reagan administration arms adviser Paul Nitze on the INF treaty's flaws, had this to say at the Senate Foreign Relations Committee hearings Jan. 28:*

The treaty does not, to this senator, seem to be the beautiful instrument that it is being portrayed as being by the administration . . . and some senators. I think it's unequal in its impact. . . .

[W]e've discovered some very troublesome loopholes in this treaty [for example], that the nuclear warhead device and the associated guiders may be removed from the SS-20 and, as Admiral Crowe testified before the Armed Services Committee, be used on the SS-25. . . .

Another loophole is the upgrade capacity to SS-25 forces. . . . [Under the treaty], the Soviets can shift the terrorizing capability of the SS-20 to their SS-25 forces. . . . [T]his should not be called the U.S.-Soviet Treaty for the Elimination of Intermediate Range Missiles [but] the Treaty for the Elimination of NATO INF Forces and the Modernization of Soviet INF Forces.

[L]et me turn once again to the question of Soviet cheating. . . . [A]nybody who looks at the history of the Soviet Union with respect to the treaties that it has signed is bound to be concerned about that. . . .

Yesterday, we reviewed the fact that the Soviets signed SALT I and SALT II with the intention and a plan to cheat. Our intelligence information showed [they] were planning to upgrade their light ICBM to a heavy ICBM, the SS-19, at the very time they were negotiating that treaty. They knew what they were going to do. . . . They built a loophole [into SALT] which would allow them to deploy, secretly, a missile forbidden by the treaty. . . .

[T]hat's why some of us are so concerned about verification. Two days ago, Admiral Crowe testified that Defense Intelligence Agency estimates showed there were 165 to 300 more SS-20s than the Soviets had declared in the Memorandum of Understanding [to the INF treaty]. That's quite a force the Soviets are hiding out there. . . .

I think we need to ask and get an answer to why the Defense Intelligence Agency is sticking by its estimates when the State Department and the CIA are sticking by the Soviet declarations. Is DIA going to be forced to change its professional judgment? If so, why? Would it be political reasons? Would it be the zeal to get this treaty rushed through? I've been told that the intelligence community is in turmoil right now over the political pressure that is being exerted, as some have put it, "to cook the books." Now we don't need any book-cooking around here. We need to examine the facts. . . . [W]e need to know all there is to know.

*From Sen. Richard Shelby's (D-Ala.) opening remarks to the Jan. 25 Foreign Relations Committee hearings:*

The possibility of linking the INF treaty with conventional force reductions. . . . Further, it's our duty to painstakingly examine the entire INF U.S.-Soviet negotiating record. . . . This process is too important to be treated as a rubber stamp.

Soviet history points to several ominous . . . questions demanding consideration during these hearings. Why are we entering into a treaty when it has been undeniably confirmed that the Soviets have repeatedly and even recently violated the ABM Treaty? Will the monitoring of just one Soviet missile plant in Votkinsk be enough to ensure compliance? How do we explain a gross discrepancy in our own estimates in the number of SS-20s versus the figures provided by the Soviets? What does this say about our ability to spot treaty violations in the future?

*Evan Galbraith, former Reagan ambassador to France, urged the Senate to reject the INF treaty, in a commentary published in the Jan. 25 Washington Times. Galbraith's arguments were cited several times in the Senate ratification hearings; Sen. Larry Pressler inserted the commentary into the official record of the debate:*

The purpose of the SS-20 was not to be launched but to be used to terrorize Europeans. . . . In giving up the SS-20 et al., the Soviets give up very little militarily, and the SS-20's original terroristic mission will be carried on by the more sophisticated SS-24 and SS-25. . . .

Without the Pershing II in place in West Germany, appeasement and unilateral disarmament will spread. The will to resist will erode, and West Germany will slide down the slope toward neutralization and demilitarization. Without West Germany, NATO shall disintegrate. . . . The Soviets may even accelerate the West German demilitarization by offering up German-unification in exchange for neutrality.

The Soviets soon thereafter will dominate Europe, and their domination will not remain static. . . .

# After INF treaty signing, American establishment grows more isolationist

by Scott Thompson

In a series of interviews with current and former senior policymakers in major U.S. institutions, *EIR* asked the following questions: 1) Do you distrust West Germany in terms of its drift toward neutralism and the East bloc? 2) How do you stand on the "Neville Chamberlain" INF treaty? and 3) Do you support the position of the recently released Iklé-Wohlstetter report, *Discriminate Deterrence* that calls for lifting the nuclear umbrella over Western Europe that is part of the U.S. defense commitment to the NATO alliance?

Almost uniformly the interviews revealed a growing "neo-isolationism" in the U.S. establishment, which points to further fissuring of the Atlantic Alliance of the sort presaged by the INF treaty and the Iklé-Wohlstetter report. Even among those opposed to the INF treaty, the position taken was all too frequently that the medium-range missiles were necessary, because it is more credible they would be used than the nuclear strategic power of the United States, for the defense of Western Europe. The interviews, whether for or against the INF treaty, also reflected a growing consensus that the U.S. should prepare to reduce its conventional forces commitment to NATO.

The following are highlights of some of the interviews, broken down into positions of whether the individual was for or against the INF treaty:

## Pro-INF treaty

Charles Heck, the North American director of the Trilateral Commission, said that the strongest concern about growing West German neutrality is to be found in France, which is seeking closer rapprochement in defense policy with West Germany in an attempt to deal with this problem. While Heck supports the INF treaty, he said, "I am concerned that some people perceive it as a decoupling move. One of the ultimate effects of the treaty will be the perceptions of it." Heck thinks that the United States still has sufficient nuclear weapons in submarines and aircraft for adequate defense of Western Europe. "It would be far more disruptive to the Atlantic Alliance if the INF treaty were not ratified," Heck said. "The Europeans would find this incomprehensible." Although Heck concluded that "Europe is clearly less important than 40 years ago" to U.S. defense, he said that he

"cannot imagine lifting the nuclear umbrella."

Evangeline Bell Bruce, a former OSS agent and the widow of establishment Atlanticist David Bruce, said that she is alarmed at the growing "neo-isolationism" of the U.S. establishment. She takes Henry Kissinger's position that the INF treaty is flawed, but ought to be ratified because of European public support for the treaty. "I can understand the concern about the treaty that is being expressed by West Germany. My real concern is what is happening inside Germany," Mrs. Bruce said. "There is a drift toward neutrality and the East."

Pamela Churchill Harriman, a leader of the liberal wing of the Democratic Party and the widow of Averell Harriman, said, "The issues are so complex that the new President will have to carry out a thorough reassessment of U.S. policy toward Western Europe. In the global epoch, the trends are toward Asia. Still, we must not give the Europeans the impression that we are going to pull out on them."

Robert Bowie, formerly with the Harvard Center for International Affairs and most recently with Brookings Institution, said that "The Germans are restive now. They are a queasy people. Any change makes them uncomfortable, but I think what is happening can be repaired. Right now the Europeans are concerned that no one within the Reagan administration establishment has a feel for Europe and a concern for Europe's problems." Bowie said that the INF treaty would have been more palatable to the Europeans had it not been preceded by the Reykjavik mini-summit. "The whole defense of the West was treated as a poker game at Reykjavik, and the Europeans believe that the guy playing poker with Gorbachov doesn't know the cards." Bowie asserted that the "decoupling" issue was first raised by Henry Kissinger, when he said at Brussels a few years ago that the Europeans were kidding themselves if they thought the U.S. would use its strategic nuclear arsenal in Western Europe's defense.

## Anti-INF treaty

Susan Crow with the Committee on the Present Danger, said that the CPD had no formal statement on the treaty other than that "It should not be ratified unless there was Soviet compliance with past agreements." She said that the CPD

had not considered the Iklé-Wohlstetter report to lift the nuclear umbrella from Western Europe.

Fritz Kraemer, former senior Pentagon policy analyst and the mentor of Henry Kissinger, Gen. Alexander Haig, and Gen. Vernon Walters, said, "The danger is already so that Germany is going irretrievably toward neutralism. The Germans are fearful, and this leaves them vulnerable to Finlandization. The United States should increase its conventional commitment to NATO." After the NATO alliance went through the trauma of the Pershing-cruise deployment, the U.S. suddenly told Chancellor Helmut Kohl that unless he gave up the 72 Pershing 1s he was "acting as an obstacle to peace." "Kohl forever will know that we are not reliable," Kraemer said.

"Of course the Senate could block the INF treaty," Kraemer added. "All that has to be done is to link the treaty with reservations to things that are already being done by the Soviet Union, such as the withdrawal from Afghanistan."

Although he said that "such reports are meaningless," Kraemer supported the Iklé-Wohlstetter report's conclusion that the nuclear umbrella should be lifted from Western Europe. "Neither Iklé nor Wohlstetter are decouplers. . . . De Gaulle was the most realistic. He said that whatever the theory is, the United States will not risk Philadelphia, Chicago, and Washington for the defense of Hamburg. Of course, I wouldn't say it to a European, but it is inconceivable that within this great democracy, anyone would give that order." Kraemer concluded that the INF treaty was bad, because "the most credible weapons were the medium range ones."

Midge Decter of the Committee for a Free World said that she was thinking of forming a group with former Pentagon official Frank Gaffney, members of the Committee on the Present Danger, and her own committee to stop the START negotiations. She said that debate within the group was mixed over the INF treaty, but her own view was: "INF is a waste of time. I don't see how anyone can do anything about it now." "If the Germans feel they are being decoupled, what can you say?" Decter said, adding that "They are being decoupled." Decter criticized the European leadership for acting like Central American Presidents toward the INF treaty. "I have it from sources who speak to Margaret Thatcher that, in private, she dressed down Ronald Reagan, saying the INF treaty was disastrous. But, publicly Thatcher supports the treaty."

James Hackett, a senior defense analyst at the Heritage Foundation, said, "We are concerned that the INF treaty creates the atmosphere for the denuclearization of Central Europe." He said that the Heritage Foundation had published the statements of Evan Galbraith, the former U.S. ambassador to France, who has taken a strong stand on the decoupling danger to West Germany. Asked what could be done to block the INF treaty, Hackett said, "The Senate should review it with great care. The position of Henry Kissinger and Brent Scowcroft that although the treaty is flawed, it should be

ratified because of European response, is ridiculous."

Asked about the *Discriminate Deterrence* report's call for lifting the nuclear umbrella from Western Europe, Hackett said: "I haven't formed an opinion yet. I am concerned about the large U.S. expenditures, when Europe is back on its feet economically. We need to take a hard look at our NATO commitment . . . including Senator Nunn's proposal for reducing the force level committed to Western Europe. Greater European responsibility for defense means that we can eventually withdraw some of our forces."

Dr. Andrew Goldberg, a senior defense analyst at the Center for Strategic and International Studies, said, "There is no question that Germans are more distrustful of U.S. intentions, I think, in many ways even more than Soviet intentions on the mass public level. German leaders like Hans-Dietrich Genscher support a process that is becoming denuclearization. It is giving the Germans the idea that the amount of room which they have with the Soviet Union is increasing. They have much more to gain out of dealing with the Soviets than with the U.S. . . . What Genscher wants is the historic process that relations between East and West Germany improve and that this whole process of *Ostpolitik*—opening up relations with the East—is something that they want to advance. The man who holds the key to that whole process is really Gorbachov. . . . You see not just on the left wing, but on the right wing where you have Franz Josef Strauss going to the Soviet Union and coming back with 'Gorbachov is a man we can bargain with.' It's quite clearly that the Germans see this as a time of opportunity. What the Germans are most worried about is that the United States is going to make them stop that process. . . . For the leadership, it's a much broader diplomatic gambit."

Although he said that the process of decoupling has been under way for a long time, beginning with the chancellorship of Helmut Schmidt in West Germany, Goldberg agreed that the process is "accelerating." "INF is symbolic of that acceleration. It's America saying there's no need for us to be as prominently linked to the defense of Europe. . . . I'm pessimistic about the future of the Atlantic Alliance."

Asked about the Iklé-Wohlstetter report, Goldberg said: "I opposed the INF treaty, because the nature of our relationship to European defense should be nuclear. I really believe that it's the Europeans' business to handle much of the conventional defense for themselves. . . . But, because nukes are relatively less expensive than conventional forces, it was in our interest to deploy INF to maintain nuclear deterrence. . . . Our nuclear commitment should be seamless. . . . When you get around to the conventional level, I really believe that we have overemphasized to a great degree our commitment and our presence in Europe. I mean this business of 325,000 troops over there, that number does not bear any relationship, to any objective measure of threat. There is nothing that says: '300,000 is good; 200,000 is bad.' "

# LaRouche appears on prime time TV

by Marla Minnicino

Despite efforts by the liberal wing of the Democratic Party to keep him off primary ballots at all costs, maverick Democrat Lyndon LaRouche has established himself as a major factor in the 1988 presidential campaign. As of Jan. 25, LaRouche had qualified for the ballot in 14 states, and in a significant blow to the Establishment, the candidate appeared on a half-hour prime time television broadcast Feb. 4 on the CBS network. The documentary-style broadcast, paid for by the LaRouche Democratic Campaign, explained what is behind the efforts to silence LaRouche, and detailed the economic and strategic policies which have made him one of the most controversial public figures of the 1980s.

Speaking on the CBS broadcast, LaRouche stood out in stark contrast to the seven other Democratic candidates, who had failed to spark any excitement. Latest polls are still showing the "undecided" category running at 12-15% or higher, one week before the Feb. 8 Iowa Democratic caucuses and two weeks before the nation's first primary in New Hampshire.

It is fear of a LaRouche "break-out" in New Hampshire that has the Eastern Establishment panicked.

The broadcast shows why Moscow and the Paul Kirk wing of the Democratic Party have feared the power of LaRouche's ideas—especially since March 1986 when two candidates associated with LaRouche won the Illinois primary. The 1986 Hart-Fairchild victories demonstrated that a growing plurality of the Democratic voters are turning toward the LaRouche faction of the party. It was then that Kirk and company decided to "stop LaRouche."

Through dramatic news clips and other footage, the broadcast shows how attempts to silence LaRouche have worked, primarily through the media, which almost never reported what LaRouche did or what he said, except to attack him with name-calling or fictitious accusations.

Despite the efforts to silence him, LaRouche is currently certified in 14 states and the Commonwealth of Puerto Rico. These include 11 states whose primaries fall on "Super Tuesday," March 8 (Massachusetts, Virginia, Arkansas, Missouri, Kentucky, Texas, Maryland, Oklahoma, Mississippi, Alabama, and Louisiana), plus New Hampshire, Illinois, and Oregon. In Kentucky and Puerto Rico, LaRouche was automatically placed on the ballot, without petitioning or other special requirements, as a "generally advocated and nationally recognized candidate."

Indicating the pitched battle to keep LaRouche off the

ballot by forces within the Democratic Party, secretaries of state in California, Connecticut, Wisconsin, Georgia, Florida, North Carolina, Tennessee, Rhode Island, and South Dakota declined to place LaRouche on their states' Democratic primary ballot as a nationally recognized presidential candidate, although LaRouche has been the subject of thousands of newspaper articles and news programs since March 1986.

On Jan. 29, California Secretary of State March Fong Eu's office used the fact that LaRouche had not yet qualified for matching funds as the reason for not placing him on the ballot. Eu decided to exclude LaRouche, despite the fact that on Jan. 28, the Federal Election Commission voted 6-0 in favor of a procedure, worked out between LaRouche Democratic Campaign attorneys and the FEC's Office of General Counsel, to establish that LaRouche will be eligible to receive federal matching funds as soon certain conditions are met by his campaign organization.

In Illinois, efforts to deny LaRouche ballot status reached the most extraordinary proportions. Here, the state Democratic Party initially challenged the LaRouche petitions on the grounds that they contained "too many" signatures. When the challenge was rebuffed in a unanimous ruling by the State Board of Elections on Jan. 25, the attorney for the Illinois Democratic Party vowed to take the matter to the U.S. Supreme Court if necessary.

## A new political force

Meanwhile, LaRouche continued his unorthodox style of campaigning, speaking at a cultural festival in Manchester, New Hampshire, a high school social studies class in Dover, and a Kiwanis Club in Manchester. He also taped several radio interviews in New Hampshire.

In Manchester Jan. 17, LaRouche stressed the moral crisis in American political life, and what could be done to reawaken a citizenry oppressed by growing poverty and disillusionment, to force a change in Washington. A cynical and destroyed population cannot be moved just by scientific conceptions presented rationally; what must be additionally sparked is the quality of *agapē*—the Greek word translated as "charity" in the King James Bible, signifying love of God, love of mankind, love of truth.

Hence, the importance of classical music and drama in LaRouche's New Hampshire campaign.

The only way to judge a politician, he said, is to know "where his or her morality lies." Those who project "*agapē*, courage, charity . . . those people can be trusted, because even if they make mistakes, their morality will cause them to feel badly about mistakes, and to seek to correct them. Those are the people you can talk to in Washington. If we start from that standpoint, the rest is all technical. And technicalities—if we approach them from the standpoint of *agapē*—we shall make mistakes, but our course, and our development toward perfection shall not be mistaken."

# Elephants and Donkeys

by Kathleen Klenetsky

## Bradley visits Moscow; candidacy next?

Speculation that New Jersey Sen. Bill Bradley might be getting ready to enter the presidential race has redoubled, in the wake of his January visit to the Soviet Union.

It has become an informal tradition for Democratic presidential hopefuls of a certain stripe to trot off to Moscow to get the Kremlin's imprimatur on their political ambitions: Gary Hart and Al Gore both undertook the trip prior to announcing their candidacies, and now, Bradley has followed suit.

Bradley got the red carpet treatment on the trip, which took him from Moscow to Baku and Tbilisi. He held a cozy tête-à-tête with Anatoly Dobrynin, formerly ambassador to the United States and now secretary of the Communist Party Central Committee. According to a Jan. 13 Tass wire, they discussed the "advantages" of the INF treaty, "the pre-election situation in the United States," and the prospects for increased U.S.-Soviet economic cooperation.

Bradley gave a glowing report on Mikhail Gorbachov's perestroika upon his return to the United States. Repeating the Soviet line verbatim, he told the Jan. 22 *Newark Star-Ledger* he was "rooting" for Gorbachov's economic reforms, and claimed the Soviet leader was trying to shift resources away from the military to the domestic sectors.

"Perestroika is a little bit like jazz," he said. "They are a fourth of the way into the piece and they know where they want to go, but they don't know how to get there."

## Terry and Gore: married in Moscow

Speaking of the Soviet faction in the Democratic Party, Bradley's Senate colleague and possible rival for the party's nomination, Al Gore, has picked up an endorsement from a rather interesting quarter: Virginia Attorney General Mary Sue Terry.

Terry has been smack in the middle of the Justice Department's politically motivated witchhunt against another Democratic presidential candidate, Lyndon H. LaRouche, and his supporters, which was undertaken at Moscow's behest. Moscow wants to eliminate LaRouche and his ideas, recognizing him as the chief political threat in the West to Mother Russia's imperial design.

Gore's main political patron is Armand Hammer, the Soviets' favorite billionaire, and a key player in the "Get LaRouche" operation. Despite his attempt to portray himself as the "conservative" Democrat in the presidential campaign, Gore's positions on such crucial issues as the INF treaty and the SDI, toe the Moscow line; hence, his nickname, "the American Gorbachov."

Terry's endorsement of Gore's presidential bid, announced at an Arlington, Virginia, press conference Jan. 23, raises some obvious conflict-of-interest questions: Did she use her office to connive in the judicial persecution of one presidential candidate's supporters, in order to benefit another's?

## A deal between Bush and Kemp?

Is Jack Kemp angling for the vice presidential slot on a Republican pres-

idential ticket headed by George Bush? That's what GOP candidate Pat Robertson's supporters are charging, after Kemp abruptly ended an arrangement he'd had with the TV preacher to block Bush's delegate-gathering efforts in Michigan.

Kemp's move came just a week prior to the Jan. 29 state party convention, and, according to Robertson strategists, will enable Bush to rack up a major victory there. The Kemp-Bush deal could give Bush 35 of Michigan's 77 national delegates, Kemp 30, and Robertson, who has invested massive resources in the state, a mere 12.

Robertson campaign officials accused Kemp of "betrayal." "We're very disappointed by Jack Kemp personally. . . . [He's] a Washington insider, so he cut a Washington insider deal, a backroom deal."

Robertson himself was even more blunt: Kemp is looking to become Bush's vice president, he contended.

That's not just sour grapes on Robertson's part: Just a few weeks before Kemp broke his alliance with the evangelist, he had received the endorsement of a prominent figure in the Bush "old boys" network, Max Hugel. Since Kemp's chances of garnering the GOP presidential nomination are exceedingly slim, the best explanation for the Hugel endorsement is a Kemp-Bush deal. The arrangement would benefit Bush by giving him an "in" with the conservative wing of the party, the old Reagan coalition.

Another signal that a Bush-Kemp agreement is in the works came from Rev. Jerry Falwell, founder of the Moral Majority, and a Bush supporter. Falwell, no friend of Robertson's, avidly pushed Kemp for the vice president's slot in an interview with the Jan. 15 *Washington Times*. Kemp would make "an ideal running mate" for Bush, Falwell said.

## German expert warns of Soviet plans

Brig. Gen. Paul Albert Scherer (ret.), the Chief of the Military Internal Security Service of the West German Armed Forces from 1972 to 1978, came to Washington Jan. 26-28 to brief U.S. senators, journalists, and members of the Reserve Officers Association attending their annual convention, of the dangers of ratifying the Intermediate-range Nuclear Force (INF) treaty.

General Scherer delivered a powerful warning about the fatal effects of the loss of confidence by Western European political and military leaders that will result from the treaty. Even though many European leaders have given lip-service support to the treaty, in the name of NATO "unity," they are privately horrified, he said.

"This treaty could not come at a worse time," General Scherer said. "It comes as leaders in the West are aware that we are on the brink of an economic depression. The question which is not answered by the treaty is: Who will pay for the new military strategy that will be required to maintain security once the intermediate missiles are removed?" NATO's only existing military strategy will be taken away by the treaty if it is ratified, he said, and no one is prepared to address the question of paying for the development of an effective new strategy.

He said that European leaders will try to convince the United States to insist on a reduction in the large Soviet advantage in conventional forces prior to any further deals on reducing nuclear weapons when they meet at the NATO summit in Brussels on March 2-3.

The confidence of Europe has already been irreversibly shaken by the U.S.'s cavalier approach to arms negotiations, he said. "It is like trust on a personal level. Once you have lost it, it is impossible to get it back 100% ever again," he said. "The loss is incalculable." He said that "only 3% of the world's nuclear weapons are lost in the INF treaty, but 97% of European confidence in the U.S. is lost. This is a horrible thing the U.S. is doing to Europe."

The former head of military intelligence for the West German armed forces gave an unvarnished picture of Soviet military strategy, noting that "it is an illusion to think that we have been at peace for the last 40 years." Instead, the Soviets have been actively engaged in "irregular warfare," just below the threshold of nuclear war. The components of this have included partisan wars, terrorism, proxy wars, direct Soviet invasions (such as Afghanistan), and use of special forces ("spetsnaz") in sabotage and other activities.

This is combined with a massive infiltration of Soviet agents of espionage into the West, much of which has involved deep-penetration agents who are retained as "sleepers" who advance into high positions in government and policymaking bureaucracies of political parties, churches, unions, and the media before they are ever "activated."

He said that there are 25,000 "peace" organizations in the West that the Soviets influence, which all share the same Soviet-inspired slogan, "No nuclear weapons by the year 2000." He said it is the purpose of these groups to "project wishful thinking onto the population of Europe and the U.S."

In the U.S., he said, there is the delusion that if there are no more nuclear weapons, then the U.S. will never be attacked. "This is wrong," he

said. "The U.S. is no longer invulnerable to a land invasion." The Soviets will never, in reality, release their grip on Afghanistan, despite whatever cosmetic troop withdrawals they may promise or even carry out. "The Soviet presence in Afghanistan starts from the premise that there is going to be a war between Pakistan and India, which the Soviets will be able to exploit to obtain a warm water port on the Indian Ocean," he said. "They will do nothing to diminish their ability to reach that objective."

On Iran, he said that the Soviets implanted agents deep into the fabric of society there during the period of Persian partisanism at the end of World War II, and activated them to overthrow the Shah, whose regime was effectively a "NATO government." He said the Soviets orchestrated the attack on the U.S. embassy and seizing of U.S. hostages in 1979 using Islamic fundamentalist agents trained 20 years before inside the Soviet bloc.

He said the Soviets' plan is to unleash the Teheran-based Islamic fundamentalist scourge all over the Middle East. "The Soviets do not want to conquer Iran," he said. "They do not want the fleas of fundamentalism in their own fur. They already have 35 million Muslims in the Soviet Union, who will grow to 45 million by 1995. They want to direct the fundamentalist menace against U.S. friends in the region—especially Saudi Arabia and Egypt, and those elements inside Israel who are beginning to realize the danger of working with Iran."

The proper objective of the U.S. military presence in the Persian Gulf, he said, should be to "flatten Teheran and start a revolution there." Shaking his head, he added, "The notion that [U.S. Secretary of Defense Frank] Carlucci is thinking of pulling out U.S. forces from the Persian Gulf is terrible."

# National News

## U.S., Soviet propaganda chiefs to meet

U.S. Information Agency head Charles Z. Wick and Soviet propaganda czar Aleksandr Yakovlev will meet in the near future to discuss "ways to end anti-U.S. disinformation."

Wick reported that he and Yakovlev would also discuss: 1) the possibility of establishing a "videolink" to provide "genuine media reciprocity"; 2) continuing the tradition of New Year's Day addresses by U.S. and Russian leaders; 3) setting up a "right of reply" by either side regarding positions or public statements of the other side; 4) semi-annual interviews of Reagan and Gorbachov by journalists from the other country; 5) placing print or broadcast features "chosen by the sending side" into the media of the other country.

## PANIC indictments called 'red herring'

A spokesman for the Prevent AIDS Now Initiative Committee in California (PAN-IC), sponsor of the November 1986 ballot initiative, Proposition 64, mandating public health measures against the disease, issued a statement on Jan. 21, attacking recent indictments of initiative supporters, on charges of violating petitioning rules.

"After an 18-month 'investigation,' accompanied by massive publicity and Cecil B. DeMille-style 'guns drawn' police raids on the campaign offices for Proposition 64 . . . Los Angeles District Attorney Ira Reiner's office has finally issued three flimsy indictments of individuals.

"The real purpose of yesterday's [Jan. 21] indictments is to divert public attention away from the horrifying reality of a disease which over the coming years will kill more Americans than World War II, in the early phase of the epidemic alone. The initiative's opponents wish to focus the voter's attention

on something trivial instead. It's a perfect example of what's known as the 'red herring' principle.

"The 'investigation' into alleged petitioning irregularities in the qualification effort for Proposition 64 had remained in a state of 'suspended animation' for over 18 months, until approximately last October, when it became clear that a new 'AIDS initiative,' almost identical to Proposition 64, would qualify for the June 1988 ballot. At that point, massive political pressure was brought to bear on L.A. County D.A. Ira Reiner, by opponents of the AIDS initiative measure, to bring indictments in the case.

"The strategy of opponents of the AIDS initiative has consistently been one of lying to the public regarding both the extent and danger of AIDS, and regarding the content of the initiative measure itself. The opponents of the initiative wish to contain the growing public outrage at the mishandling of AIDS by government and health officials, through an orchestrated cover-up. Current state and federal AIDS policy is the worst case of incompetence in public health matters during this century. The incompetence of officials is, however, not only a matter of stupidity. It is systematic; it is a result of policy; the policy of both Washington and Sacramento, that funds shall not be spent on AIDS, and that any information which might lead people to conclude that more funds should be spent, shall be suppressed."

## Kahane demands pardon of Pollard

Sounding the theme of his current U.S. tour, Rabbi Meir Kahane, the U.S.-born founder of the Jewish Defense League, has published a defense of KGB/Mossad agent Jonathan Jay Pollard, imprisoned for life in the United States after his and his wife's 1985 capture. Kahane wrote in Brooklyn's *Jewish Press* Jan. 21, under the title, "The Pollard Stain."

Urging that letters to be sent to the U.S. attorney general demanding a pardon, Kahane declared Pollard's imprisonment "an

outrage whose anti-Semitism stinks into the heavens. But the work of the Gentile cannot begin to compare to what was wrought against the Pollards by Jews whom they trusted.

"It was the very same Israel for whom the Pollards did what they did . . . [which] guided them, encouraged them, urged them on—that turned them away from the embassy doors as they fled for sanctuary from federal agents."

Pollard, as a civilian employee of the Office of Naval Intelligence, stole U.S. military secrets for an Israeli Mossad unit, but comprising information solely of use to the Soviet Union. In a court paper recommending the life sentence, U.S. Attorney Joseph diGenova strongly implied that Pollard was in fact a "false flag" agent of the KGB. *EIR* has documented Kahane's own ties to this same "false flag" section of the Mossad.

## Hart FEC violations still not rectified

The Federal Election Commission rushed approval of \$100,000 in matching funds to Gary Hart's 1988 presidential campaign, despite the fact that FEC files show Hart has failed to account for nearly \$60,000 in "apparently excessive and possibly illegal contributions" in 1984, the *Washington Post* reported Jan. 15.

A *Post* computer analysis of FEC records for Hart's 1984 race disclosed \$59,745 in excessive contributions from 74 individuals that have not been refunded or otherwise cleared from the books. In addition, FEC files show that Hart's campaign received \$30,000 through sale and leaseback transactions that are generally prohibited by federal election law, involving two California fundraisers, the morning after Hart's second-place finish in the Iowa caucuses in 1984.

The records also raise questions about the Hart campaign's explanation of California video producer Stuart Karl's underwriting of thousands of dollars in campaign expenses in July 1984. Karl's name came up



in connection with Hart's 1988 presidential bid on Jan. 20, when it was revealed that he was paying a top Hart campaign "volunteer" \$3,000 a month, in violation of FEC regulations.

## DOE thinks Russians lead in RF weapons

Russia leads the United States in the technology required to make compact, mobile radio frequency weapons, according to a report commissioned by the Department of Energy to be released in March, a reliable source reports.

"They've put a lot of work into making the power sources small and lightweight," the source reported. "Yes, absolutely, you can drive around or fly around with one of these things. We haven't done any of this. They have built up a capability in portability in all the backup technology. We haven't done anything like this."

Radio frequency weapons can be employed at a variety of "tunings" to stun, disorient, madden, or kill enemy personnel and scramble or destroy electronic equipment such as communications systems. Their deployment just prior to general war in the hands of Soviet special forces, followed by such systems' deployment at the strategic level, is believed to be a principal of the current Soviet Order of Battle.

The U.S. Strategic Defense Initiative Organization (SDIO) sponsored a conference on high power microwave technology in mid-January in Los Angeles, and the proceedings confirmed the source report. "Every talk began with some reference to a Soviet paper. Then the U.S. scientist would proceed to report on how his lab had produced or come close to producing the power level and pulse length reported in the Soviet paper."

U.S.S.R. labs are now regularly producing pulses of microwaves with peak powers of hundreds of millions of watts as often as 100 times per second. U.S. labs' devices can only produce a single megawatt power pulse at a time.

The Department of Energy study did not

consider the possibility of hand-held radio frequency anti-personnel weapons, according to the source. "The panel considered two military uses of high power microwaves: radar and weapons to knock out electronics."

## Court tells journalist: Hand over notebooks!

In a decision issued Jan. 22, the U.S. Court of Appeals for the First Circuit ruled that no Fifth Amendment privilege governs notebooks and diaries maintained by a reporter. Their production can be compelled and their contents used by the government in a criminal trial against the reporter, and also against his wife.

The decision, against Jeffrey Steinberg, currently a co-defendant in the case *U.S.A. v. The LaRouche Campaign, et al.*, follows a radical interpretation of the Fifth Amendment in place in the First Circuit.

LaRouche, Steinberg, and others are on trial for conspiracy to obstruct justice in connection with charges of credit card fraud during LaRouche's 1984 presidential campaign. The case stems from the government's October 1986 Grenada-style 400-man police raid on the small town of Leesburg, Virginia, where LaRouche and many of his associates are based.

The Court found Steinberg's notebooks to be records of a "regularly conducted activity." It stated that since there was no compulsion to create the notebooks in the first instance, the Fifth Amendment did not apply. The Fifth Amendment prohibits compelled testimony against oneself.

The First Circuit interpretation of the law says that a defendant can be compelled to testify against himself if the testimony involves prior statements or writings which were voluntarily created prior to criminal indictment.

Since the Fifth Amendment does not apply to the notebooks, use of the notebooks can also be made against Michele Steinberg, Steinberg's wife and a defendant in the case. Thus, the centuries old spousal privilege also does not apply.

● **A SCANDAL** "is about to erupt for George Bush," claims the British magazine *Private Eye*, under the title, "Bush whacked." Bush's son, George, Jr., owns a company called Spectrum 7, which was caught up in a Texas-Oklahoma oil leasing fraud. When an indictment was issued against one Kelly Fish, subpoenas were issued "all over the place—except in the direction of George Bush, Jr. The message was clear and well understood." Through Bush's intervention, his son's involvement was overlooked.

● **PAT ROBERTSON**, the evangelical TV huckster who would be President, offered Lt. Col. Oliver North a job with a six-figure salary immediately after North lost his National Security Council position, *TV Guide* reports. Colonel North kept Robertson briefed on the situation throughout the "Irangate" affair's unfolding.

● **GEN. BERNARD ROGERS** has signed on to Bob Dole's presidential campaign. The former Supreme Commander of NATO will join the Dole campaign's Steering Committee for Defense and Policy. Rogers resigned in June 1987, implicitly over his opposition to the "zero option" treaty signed by President Reagan and Mikhail Gorbachov the following December.

● **THE COAST GUARD** will cut back its drug interdiction efforts by 55%, closing 30 installations, thanks to the fiscal insanity reigning in the White House and on Capitol Hill. "We've got a \$30 million problem," Coast Guard commandant Adm. Paul Yost told a congressional hearing Jan. 26. At least 1,055 uniformed Coast Guard personnel are scheduled to be discharged by the end of 1988, with unspecified additional layoffs to follow.

## Editorial

# *The KGB runs the Justice Department*

The enemies of Lyndon H. LaRouche, Jr. received a heavy blow on Jan. 24, when defense attorneys in Israel blew up the Soviet-directed frame-up of retired Cleveland autoworker John Demjanjuk, accused by the Russians of Nazi war crimes and deported to Israel by the U.S. Justice Department. The case proves *EIR's* charges, that a powerful network in the Justice Department works for Moscow, a network concentrated in, but not restricted to, the "Nazi-hunting" Office of Special Investigations (OSI).

*EIR* made that charge during the Justice Department's 1980s hounding of renowned U.S. rocket scientist Arthur Rudolph, falsely accused as a "Nazi," driven out of his important scientific work, and then, in 1985, out of the country.

*EIR* made that charge in the Justice Department's unfounded prosecution of former General Dynamics executive James Beggs, also driven from his job as NASA chief administrator, only to be absolved of all charges after ample damage had been done to the U.S. space program. The same point holds for Justice Department prosecutions of other defense contractors.

*EIR* made that charge in the wake of the Oct. 6, 1986 Grenada-style raid on the Leesburg, Va. offices of LaRouche associates, undertaken five days before the Reykjavik summit, per Soviet request of the Justice Department channeled through the friends of Armand Hammer, the Hammer who arranged Reykjavik.

*EIR* made the same charge in April 1987, as the Justice Department prepared to deport Estonian refugee Karl Linnas, another Russian-accused "Nazi," without according him due process, solely on Soviet-supplied evidence. Linnas was sent to his death in the Soviet Union by the Justice Department, on April 20, 1987.

That same day, April 20, 1987, the Justice Department declared "bankrupt" two corporations and one non-profit foundation, responsible for two publications associated with Lyndon LaRouche, and shut them down.

Coincidence? The Demjanjuk case clarifies all.

On Jan. 24, as related live from Jerusalem on Cable News Network, defense attorneys produced the 1945 diary of the prosecution's star witness against Demjan-

juk, the witness who accused him of being "Ivan the Terrible," Treblinka concentration camp guard. There, in his own hand, that witness had written that on Aug. 11, 1945, he and another prisoner stormed into Treblinka's Nazi barracks and murdered the real Ivan the Terrible.

The prosecution's star witness in Jerusalem was a liar.

The exposure of this hoax proves the Justice Department collusion with Soviet operations otherwise evident in the Rudolph, Beggs, Linnas, and LaRouche cases.

Demjanjuk's frame-up began with accusations in *Ukrainian News*. *Ukrainian News* is published by the Communist Party-U.S.A. The accusing reporter had just returned from the Soviet Union with "evidence" against Demjanjuk. With that "evidence," without trial, the Justice Department stripped him of his citizenship and deported him to Israel for a judicial travesty hailed as the new "Eichmann trial."

The forged evidence for the Jerusalem prosecutors was brought to Israel from Russia by. . . Armand Hammer.

It was a signal from a section of the Mossad, associated with Hammer, of their full complicity with the Soviet KGB in broader operations.

The same Armand Hammer networks contrived the INF treaty. The same Armand Hammer networks contrived the raids on and prosecutions of Lyndon LaRouche and organizations and individuals associated with him. This network includes the OSI. It includes Charles Wick, U.S. Information Agency head; Herbert Romerstein and Roy Godson, so-called expoerts in Soviet disinformation, who, in fact, retail it.

The Demjanjuk case's collapse was preceded by only a few days, by the exposure of high-level Mossad official Shabtai Kalmanowich, as a Soviet KGB agent. The Hammer network is up to its ears in operations associated with him.

Nobody can now deny it. The U.S. Justice Department is doing the dirty work of the Soviet KGB. It's time for a cleanout of the KGB at DOJ.



# So, You Wish to Learn All About Economics?

by Lyndon H. LaRouche, Jr.

A text on elementary mathematical economics, by the world's leading economist. Find out why *EIR* was right, when everyone else was wrong.

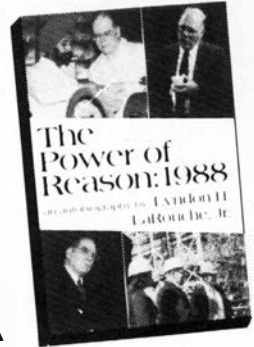
Order from:  
**Ben Franklin Booksellers, Inc.**  
 27 South King Street  
 Leesburg, Va. 22075

\$9.95 plus shipping (\$1.50 for first book, \$.50 for each additional book). Information on bulk rates and videotape available on request.

# FED UP WITH WASHINGTON POLITICIANS?

Then Throw The Book At Them

(but read it first)



# THE POWER OF REASON: 1988

An Autobiography by Lyndon H. LaRouche, Jr.

Published by Executive Intelligence Review  
 Order from Ben Franklin Booksellers, 27 South King St., Leesburg, VA 22075. \$10 plus shipping (\$1.50 for first copy, .50 for each additional copy). Bulk rates available

# Executive Intelligence Review

U.S., Canada and Mexico only

1 year ..... \$396  
 6 months ..... \$225  
 3 months ..... \$125

## Foreign Rates

Central America, West Indies, Venezuela and Colombia: 1 yr. \$450, 6 mo. \$245, 3 mo. \$135

South America: 1 yr. \$470, 6 mo. \$255, 3 mo. \$140.

Europe, Middle East, Africa: 1 yr. DM 1400, 6 mo. DM 750, 3 mo. DM 420. Payable in deutschemarks or other European currencies.

Asia and Oceania: 1 yr. \$550, 6 mo. \$300, 3 mo. \$150.

I would like to subscribe to *Executive Intelligence Review* for

1 year  6 months  3 months

I enclose \$\_\_\_\_\_ check or money order

Please charge my  MasterCard  Visa  
 Card No. \_\_\_\_\_ Exp. date \_\_\_\_\_

Signature \_\_\_\_\_

Name \_\_\_\_\_

Company \_\_\_\_\_

Phone ( ) \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_

State \_\_\_\_\_ Zip \_\_\_\_\_

Make checks payable to EIR News Service Inc., P.O. Box 17390, Washington, D.C. 20041-0390. In Europe: *EIR* Nachrichtenagentur GmbH, Postfach 2308, Dotzheimerstrasse 166, 62 Wiesbaden, Federal Republic of Germany, telephone (06121) 8840.

**Do you need to be plugged  
in to the world's best  
intelligence service?**

# **EIR**

## **Confidential Alert**

In the age of Irangate, the Zero Option, and glasnost, you may very well need to be *ahead* of the news.

When you subscribe to the EIR Confidential Alert service, we bring you in on the unique intelligence capability we use to assemble *Executive Intelligence Review's* weekly review.

Every day, we add to our computerized intelligence data base, which gives us instant access to news items provided by our bureaus all over the world. As an Alert subscriber, you get *immediate* information on the most important breaking developments in economics, strategic news, and science.

EIR Alert brings you 10-20 concise news items, twice a week, by first class mail—or by fax (at no extra charge).

**IN THE U.S.** Confidential Alert annual subscription: **\$3,500**

**IN EUROPE** Confidential Telex Alert annual subscription: **DM 12,000.** Includes Quarterly Economic Report.  
Strategic Alert Newsletter (by mail) annual subscription: **DM 6,000.**

Make checks payable to:

**EIR News Service**

P.O. Box 17390  
Washington, D.C. 20041-0390

In Europe:  
EIR Nachrichtenagentur GmbH,  
Postfach 2308 Dotzheimerstr. 166,  
D-6200 Wiesbaden, F.R.G.