

# EIR

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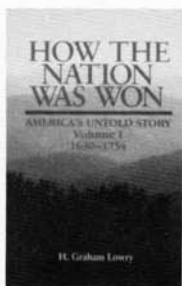
The x-raser laser—where does it stand?  
An unchecked locust plague stalks Africa  
Drug legalizers hold a 'Schmoke-in'

**Bolshevik Russia is a Golem:  
the myth of Marxian communism**



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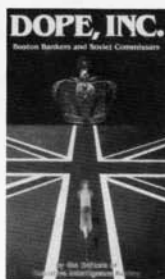
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## From the Editor

Is our planet on the way to being plunged into a New Dark Age, akin to the Black Death of fourteenth century Europe, but on a planetary scale? *EIR* founder Lyndon LaRouche warns in this week's cover story: "That terrible event is not yet absolutely certain; but, if the world continues its present course at the present rate, the point-of-no-return will be reached during the coming four years, perhaps the first two years of the next U.S. presidency. Unless the policy-shaping trends of the recent twenty-odd years are dramatically reversed during the two or four years immediately ahead, the New Dark Age will be under way by the close of this century. If that occurs, entire nations will vanish from the political map, in the course of the eradication of all or nearly all of the populations of those nations."

He specifies: "Bolshevism, global communist and related subversion, and Soviet war-preparations are an integral part of this gloomy prospect. Yet, the Soviets are only the poor Golem, the mere *Sparafucile* of the real-life drama, as much in the grip of our common tragedy as we, the murderer's intended victims."

This is the perspective from which to view our other major coverage this week. I particularly draw your attention to the lead *International* story, updating the battle over the sovereignty of Colombia, which *EIR* has alerted readers to in recent weeks. This is a prime example of the "Peoples War" scenario of the satanic "Venetian Party" forces about which LaRouche writes.

In the *Science & Technology* section you will read an absolutely unique report on the actual status of the x-ray laser, "triangulated" from information in the public domain, which refutes the official versions. This report is in two parts.

We have deferred our promised report on the schemes for a corporatist "Europe 1992" until the coming week, when we will also be able to report to you the exciting news of a movement of patriots from all the key Western European nations, who have committed themselves to politically organizing for a different vision of Europe, a "Europe of the Fatherlands" in the tradition of Charles de Gaulle, in the upcoming European Parliament elections.

*Nora Hamerman*

# EIR Contents

## Departments

### 14 Report from Bonn

Kohl and Gorbachov "break the ice."

### 50 From New Delhi

New haven for drug traffickers?

### 51 Dateline Mexico

Oil workers denounce Beteta.

### 52 Report from Rio

Moscow dazzles Brazil.

### 53 Andean Report

Socialist no longer a shoo-in.

### 72 Editorial

Sign or signal.

## Science & Technology

### 18 Status of the x-ray laser: the exclusive real story

Charles B. Stevens pieces together the evidence from the redacted reports and correspondence of the top scientists on the most promising of SDI technologies. The first of two parts.

## Economics

### 4 World financial system back on the brink

The prospect of devaluing all U.S. debt outstanding, by some ratio of the magnitude of debt taken on to finance the buy-outs, proved to be too much for the international money-managers.

### 6 Locusts: An unchecked plague stalks the continent of Africa

### 8 Currency Rates

### 9 Drug legalizers hold 'Schmoke in'

The reincarnation of the Yippie movement as libertarian bankers, at the Washington conference of the Drug Policy Foundation.

### 11 Mexico bailout: quid pro quo for commitment to common market?

### 13 City of London

Banks set post-election attack on U.S.

### 15 Agriculture

Farm Credit System cuts crop loans.

### 16 Business Briefs

## Feature



A 1901 performance of Maxim Gorky's *The Lower Depths*, a cornerstone of Bolshevik culture, showing the satanic-looking "proletarian," Satin, rising to smash the old order. Gorky spent years on the Isle of Capri, satanic cult center since the Roman Empire. The actor is the Old Believer Alekseyev (Stanislavsky).

### 26 The myth of Marxian communism

The wife of a famous rabbi of Prague, recalls Lyndon H. LaRouche, Jr., once turned loose a *Golem* her husband had created. She was unable to control it: havoc. Such a Golem is Bolshevik Russia.

## International

### 38 Narco-communists face major defeat in Colombia

Uncharacteristically harsh measures by the Barco government have temporarily defused a "Tet Offensive" by the drug-linked Communists and their terrorists in the countryside.

### 40 Israel's fate: *Mene mene tekel upharsin*

### 41 Queen may oppose Thatcher on 1992

### 42 Rowland's *Observer* defends Soviet agents

### 44 The Trilateral Commission declares war on East Asia

It is demanding that the Newly Industrialized Countries of Asia join the OECD, i.e., prostrate themselves at the feet of usury.

### 46 Megabucks media campaign comes to the defense of Mexico's PRI

### 49 Phony peace reigns in southern Africa

### 54 International Intelligence

## National

### 56 James Baker III: the man who'll keep Bush in line

Dukakis is the preferred front man for the Establishment's dangerous and foolish policy thrust, but James Baker III, almost certain to be named Secretary of State, is being counted on to steer a Bush administration down the same disastrous course.

### 58 Mark Richard and the moles in the Justice Department

Part 2 of *EIR*'s exposé.

### 60 The Dukakis universal health care plan: misery for all

### 62 Air Force Intelligence experts aren't buying Gorbachov's glasnost

A conference report.

### 64 Gates catalyzes intelligence fight

### 65 KGB behind attacks on Bush supporters?

By Ralph de Toledano.

### 66 Elephants & Donkeys

State lawmakers rebel against Duke 'miracle'

### 67 Eye on Washington

The pitfalls of the 'conservative' ideology.

### 68 Congressional Closeup

### 70 National News

## World financial system back on the brink

by Chris White

The world financial system rolled inexorably back to the brink of financial catastrophe during the last week in October. Wall Street's paper-hangers, with their effort to sneak a \$350 billion-plus expansion in outstanding bank credit through the markets, as the objective of the latest round of so-called Leveraged Buy-Outs (LBOs), found themselves out in the cold, as international and domestic bond market managers began the short walk out of U.S. corporate debt and into what they call "quality."

The prospect of devaluing all U.S. debt outstanding, by some ratio of the magnitude of debt taken on to finance the buy-outs, had proven to be too much for the international money-managers. The RJR-Nabisco buy-out looks to have been the straw that broke the camel's back. The announcement in the week ending Oct. 22 of the transaction which, with \$17-25 billion in equity purchases to be financed, would leverage approximately nine times that amount through the banking system, prompted first a walk-out, supposedly led by the Swiss, from the Euro-bond market, and the sudden collapse of the U.S. market for corporate debt.

Holders of certain U.S. corporate bonds saw the face values of some of their holdings depreciate in amounts only comparable to last year's stock exchange collapse. Others saw premium-grade paper turned into junk bonds overnight. Mutual fund managers redivided their portfolios, recommending that holdings of corporate debt be reduced from 50% to 20% of the total. David Schultz of the Newton Income Fund told the *Wall Street Journal* Oct. 28, "If you get caught with one bond in your portfolio that goes down 20%, your year is over."

The collapsing bond market is merely one among the detonators ticking away internationally. Also to be included

are: 1) the U.S. dollar, sliding downward since the end of September IMF meeting, now on the eve of a widely expected post-U.S. election sell-off organized by the Bank for International Settlements; 2) the international debt situation, facing a new Ibero-American initiative for mid-November; and 3) the bankrupt U.S. banking system. As the Wall Street sharpies triggered the bond market crash with their latest paper-pulping schemes, so did they begin to pull out the props from under each of those three crisis flashpoints.

### Warnings from Greenspan and Phelan

The emerging dangers prompted both Alan Greenspan of the Federal Reserve and John J. Phelan, Jr. of the New York Stock Exchange to issue frantic warnings. In a letter to congressional leaders released Oct. 27, Greenspan warned banks to be very careful about making loans to finance Leveraged Buy-Outs. The Fed chairman also recommended that Congress change the tax code to introduce obstacles to the practice. His letter was thought to be the prompt for First Boston's rapid withdrawal of a junk-bond issue designed to provide part of the financing for Campeau's takeover of Federated Department Stores.

At a lunch hosted by the New York Financial Writers' Association, Phelan said he sees "great concern" about companies heaping on debt to finance huge takeover deals. If it keeps up, there will be "nothing but crazy paper in the world," he said. He warned of the consequences for debt-strapped companies if a recession should arrive. On Oct. 19, Phelan, along with Malcolm Forbes, had been the star attraction at a Merrill Lynch-organized coast-to-coast sales pitch to get investors back into the market. Then he had said that investors were "almost paranoid" about taking risks since the Oc-

tober 1987 stock market crash. He told investors to treat their stocks and bonds as long-term investments, like their homes, and not worry about them.

The paranoia he warned about is obviously highly contagious, since it's not the financial situation so much that has changed, but rather Greenspan and Phelan who are perhaps beginning to realize what their combined, year-long effort to bail out the Titanic of the dollar credit system has actually unleashed. Their pump-priming has gotten to the point that it's merely sinking the vessel faster. David Ruder at the Securities and Exchange Commission is still manning the pumps. "I don't purport to be able to decide what the best debt/equity ratio is for America's companies. If market forces have moved to the point that there's greater leverage for the companies then that may be the right way," he said.

Meanwhile, corporate equity was liquidated at a \$140 billion annual rate during the second quarter of this year. Corporate borrowings from domestic and international bond markets have been running at or below the same level. Non-financial debt outstanding, in the form of bonds, mortgages, bank loans, and other credit instruments, at the end of last year, was \$1.89 trillion, according to the Oct. 28 *Washington Post*, 56% of the \$3.356 trillion supposed net worth of the corporations. When the net worth collapses back to the levels indicated by an 800-point Dow Jones Index of early 1982, the debt, a year later, is going to be more than three times the net worth. That means little or nothing; since the economy as a whole is a net losing proposition, dependent on imported goods for about 25% of net throughput, and expected to support the claims of \$15-20 trillion of paper, the net book worth of the U.S. corporate sector is more or less irrelevant.

### **'Creative financing'**

The epitomes of financial orthodoxy, paragons of the methods they called "creative" or "innovative" financing, are the ones who get left holding the proverbial bag—one which they themselves made. The size of the "bag" was estimated by Oppenheimer and Co. in the Oct. 28 *New York Times*. Beyond the latest round of LBOs, banks have financed \$48 billion worth so far this year; this brought the total for the last two years to about \$150 billion, approximately twice the ridiculously low figure for banks' exposure on account of Third World debt. The doubling rate of this type of debt is converging on that of the AIDS virus.

For Bankers' Trust, buy-out loans are reported to be 104% of paid-in equity; for Wells Fargo 138%; for Manufacturers' Hanover 98%; others like J.P. Morgan and Chase Manhattan are in the range of 50%; Citibank is estimated at 43%. With exposure to the Third World, even at the reduced levels of the last year, sufficient to wipe out banks' equity, it is easy to see that the banks are bankrupt many times over.

Specialists argue that there is no cause for concern, even while Greenspan and Phelan are raising the warning flags. You see, the issuing banks do not hold on to the loans issued; therefore, they are not at risk. The loans are broken up, and

distributed in smaller portions throughout the banking system, with banks paying each other commissions for the privilege of taking in each others' dirty laundry. Far from "nothing to worry about," the practice has contributed to undermining the banking system as a whole. This, after all, was why the latest round of Leveraged Buy-Outs was launched in the first place. In part an electoral tactic to keep things going through Nov. 8, the envisioned \$350 billion-plus pool of new credit was to be the means by which the sharpies in the banking investment community kept their shell-game going for a few more months, by providing an outlet for the \$75-300 billion worth of CDs that mature this fall.

Since the shell-game has to keep growing, at an the kind of accelerating rate implied by the last two years' worth of LBO financing, merely to survive, failure to grow means that the game collapses in on itself, and the leverage that banks had built up through their debt financing becomes leverage reversed against the banking system itself: the collapse of one dollar's worth of financing bringing down anywhere from 100 to 1,000 times the magnitude in paper devalued as the book value of assets evaporates.

Shearson Lehman Hutton is part of the team that is looking to raise the funds required for the RJR-Nabisco buy-out, the \$20 billion whopper. Shearson also holds about \$146 million of preferred stock and debt of MCorp from Texas. MCorp has let it be known that it intends to seek Chapter 11 bankruptcy within the next 30 days. The bankruptcy will knock out Shearson's holdings. They could lose the whole thing, and they are not alone in that. The loss will leverage through the whole pool of securitized assets. Small it may be, it also may be enough to set off one or two of the detonators that are hooked up to the whole \$15-20 trillion in unsecured paper.

Greenspan and Phelan really needn't worry about the growth of debt. It's way too late for that. The time to worry was this time last year, not now. They were the ones who insisted, against the reorganization plans put forward by Lyndon LaRouche and his friends, that the shell-game could be kept going, week by week and month by month, to avoid a repeat of October 1987. They happened to be wrong. But worrying about the present consequences of mistakes made a year ago won't help deal with the problem. They insisted then that mistaken policies be continued, which, it was clear, would make the ultimate day of reckoning worse, when it did occur. Now they run the opposite risk. In acting against the spread of the debt canker, they surely act also to precipitate the collapse of what they insisted on building up in the first place. Only this isn't like a kid's game, where you can kick over the board because you don't like the way things are going, and start all over again. It's the lives of entire nations and regions of the world, and the existence of whole cultures. Maybe they are incapable of learning that there are other ways of doing these things, ways which work without leading into the biggest financial catastrophe in human history; hopefully, others are not.

# Locusts: an unchecked plague stalks the continent of Africa

by Marjorie Mazel Hecht

Millions of desert locusts from West Africa made an unprecedented flight to the Caribbean Oct. 20. According to Jeremy Rossey, a United Nations Food and Agriculture Organization (FAO) expert, desert locusts had never been sighted in the Caribbean before. Their flight across the South Atlantic was twice as long as any previously recorded locust flight.

"This is a large-scale invasion on a very wide front," Rossey told reporters. "We will never know exact numbers, but there are many, many millions of the locusts. Two weeks ago," he added, "none of us would have believed this is possible. We are obviously dealing with a new kind of beast. The main worry is that the swarm would breed and set up a permanent colony in the area." The locusts are feeding on bananas, vegetables, and palm trees, and are threatening crops from Martinique to Surinam. They are already on the South American mainland in Surinam, which borders Brazil, Guyana, and Venezuela. Miami is a possible target area in the near future.

The November invasion of North Africa by locust swarms will also pose a threat to southern European countries like France, Spain, and Italy in the next months, as new swarms form and move out in search of food. In Tunisia, for example, the favorable weather conditions have allowed the locust population to thrive, and in some instances, the pests have grown to the size of small birds. Since the locusts in a swarm stage breed four or five times a year, multiplying ten-fold each time, the potential threat to crops and vegetation is enormous if the locusts remain unchecked. In addition to breeding and mature swarms across the Sahel, in West Africa, and in North Africa, the locust situation is worsening in the Horn of Africa, putting Egypt, Israel, and Kenya in jeopardy.

Despite all the hand-wringing by international agencies like the U.N. Food and Agriculture Organization, the locust plague now threatening to destroy much of Africa's food supply was both predictable and preventable. As mature locust swarms fill the skies from East to West Africa, and newly hatched locusts carpet the Sahel, there is still time to stop the most devastating locust plague of this century. What is necessary is the political will to mount an emergency mobilization that expends the resources—large and small planes, pesticides, ground spraying, communications and transportation equipment, satellite and airplane surveillance, and other infrastructure—to get the job done in a hurry.

Such an all-out mobilization must start by affirming that saving the lives of millions of Africans is more important than any supposed damage to "the environment." Concretely, this means that the most effective pesticide must be used to ensure that the next generation of locusts do not reach maturity and breed. For much of the vast Sahel region, the pesticide for the job is the long-lasting dieldrin, which could be sprayed in barrier strips where locusts are hatching and hoppers are beginning to search for food. Dieldrin kills the insects when they ingest it, and since it lasts for several weeks, it will ensure that the young locusts are killed whenever they hatch in the next period. Other pesticides are short-lived, and thus require more than one spraying to ensure a high kill ratio.

## Overturn the ban on dieldrin

The first step is for the nations of Africa that are already suffering the first stage of genocide—famine and disease—to insist that people come first and that the U.S. State Department ban on dieldrin must be overruled. Dieldrin was banned in 1974, not for scientific reasons (the scientific evidence supported the continuation of its use); it was banned for political reasons, as part of the environmentalist assault on industrial society. The man responsible was Russell Train, then the administrator of the Environmental Protection Agency and now the head of the World Wildlife Fund. Train has been identified by pro-growth scientists as "the single most dangerous man in the international environmentalist movement," because of his behind-the-scenes efforts to promote malthusian policies.

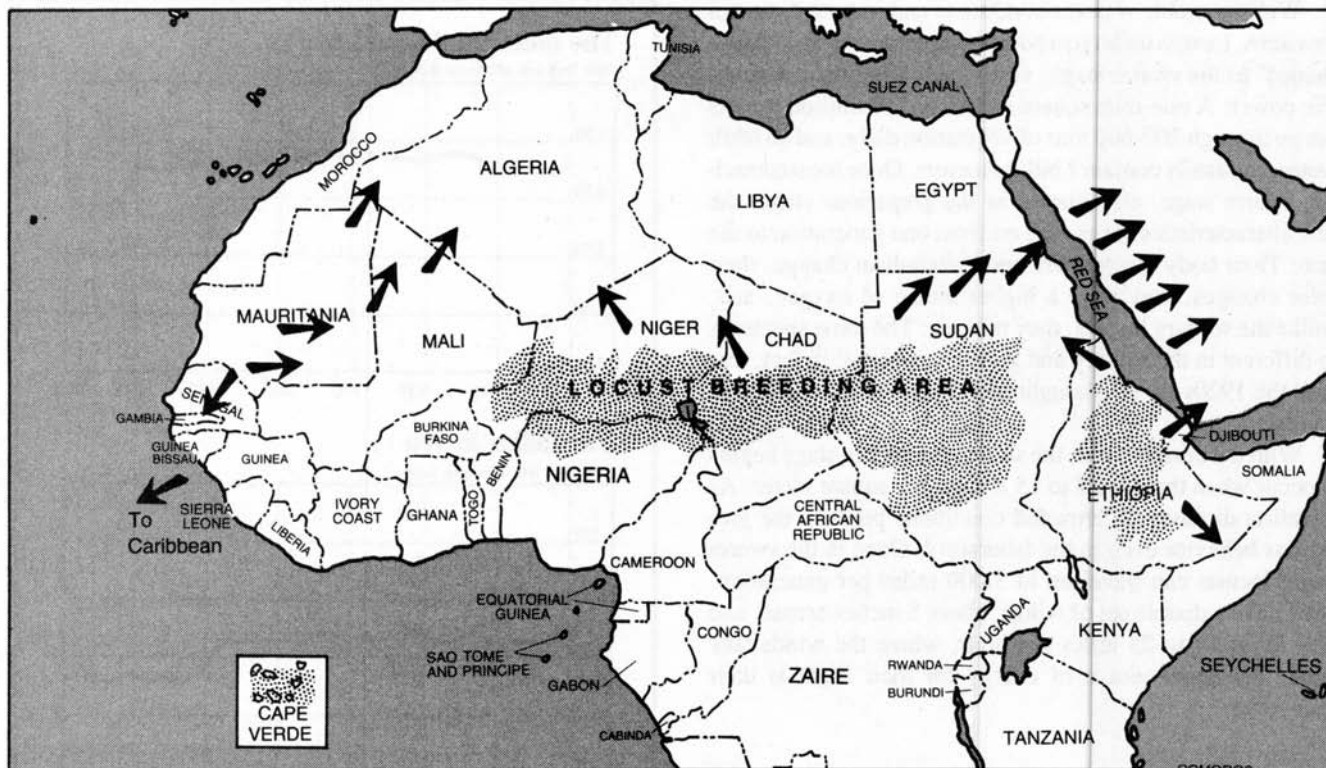
The State Department, in its eagerness to pare down the African population, has explicitly threatened both the FAO and member states in Africa that use of dieldrin will automatically mean a cut-off of all aid.

## Locust plagues are predictable

Although both temperature and rainfall conditions for millennia have determined when locusts or grasshoppers will multiply to the plague stage, today man has the ability to control and even eradicate these pests. For centuries, the intercontinental journey of locust swarms has followed the same path, breeding in endemic areas in Africa, moving from the Sahel region both west to West Africa and north to North Africa, and moving from East Africa across to Saudi Arabia.



## Locust swarm movements through Africa, November 1988



The Oct. 18 African Locust Bulletin of the Food and Agriculture Organization notes the deteriorating situation in Africa: "Very large numbers of desert locusts have been blown out into the Atlantic Ocean," the report states, and "in West Africa there has been further westward and southward migration of swarms and new invasions of Cape Verde, Senegal, Gambia, and Guinea-Bissau. . . . Substantial migration has occurred in a northeasterly direction toward the Red Sea . . . with mature swarms being reported from the Egyptian-Sudan border. In Ethiopia, the situation appears to be deteriorating with increasing numbers of swarms being reported. Further south, Djibouti has been invaded by swarms and it is virtually certain that swarms will invade Somalia shortly. . . . A large number of swarms have invaded Saudi Arabia along the Red Sea coast and have moved inland to Medina and the Asir."

As for the outlook to mid-November, the FAO bulletin reports, "Further swarm invasions of Senegal, Gambia, Cape Verde, and Guinea-Bissau are likely over the next two weeks. There is also a high risk of invasion of northwest Mali from the north and west." The hatching of a second generation in Senegal and Mauritania is expected to be large, and "the risk of major invasion will be high during November as second-generation swarms form in the Sahel."

The map shows the expected migration of the swarms on the winds of the Intertropical Convergence Zone, carrying locusts to northwest Africa, east from Senegal and southern Mauritania toward Mali, and north from Mauritania.

If favorable conditions for the locusts continue, North Africa provides a staging ground for spread throughout the Mediterranean area, while Egypt and Saudi Arabia are the entry point to the Mideast.

How far the locusts travel depends on the climatic conditions and the winds. This year, for the first time, storm winds carried millions of African desert locusts to the Caribbean, where, if not halted, the pests have the potential to devastate the crops and greenery of Ibero-America and North America.

The key to stopping an infestation of locusts from reaching a plague stage is to spray widely enough so that there will be no next generation. (Female locusts lay about 300 eggs each over their lifetime, and each locust generation is 10

times larger than the previous one.) Those areas where the locusts have stopped to lay eggs must be treated, so that when those eggs hatch, the new hoppers will be killed before they reach maturity and breed a third generation.

As documented in *EIR*, the international agencies responsible, including the FAO and the State Department's Agency for International Development, deliberately refused to carry out wide-scale spraying of known areas of infestation throughout the Sahel and surrounding regions in 1986, 1987, and 1988. The reason was not that the spraying of the vast infested areas was too costly. As the head of the FAO Emergency Center for Locust Operations, Lukas Brader, told this writer more than once, the Food and Agriculture Organization would not spray because of the "environmental conse-

quences"—even if the funds were available.

### The swarm stage

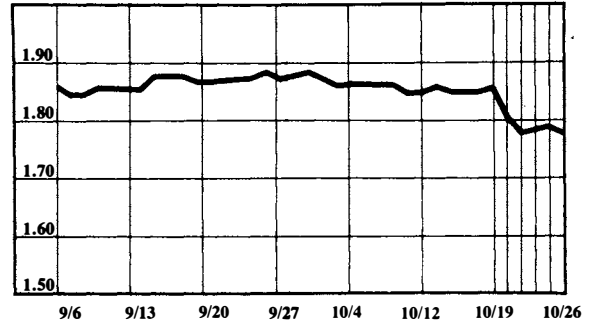
With favorable weather conditions and impotent control measures, locusts undergo a population explosion and "phase change" to the swarm stage, vastly increasing their destructive power. A one-mile square swarm of 150 million locusts can go through 200-600 tons of vegetation daily, and an adult swarm can easily contain 1 billion locusts. Once locusts reach this swarm stage, also known as the gregarious stage, the new characteristics are passed on from one generation to the next: Their body temperature and metabolism change, their color changes, they have a higher intake of oxygen, and, unlike the solitary locusts, they migrate. The same species is so different in the solitary and gregarious phase, in fact, that until the 1920s, it was thought that these were two different species.

With the desert locust, the shift to the swarm stage begins to occur when there are 5 to 15 locusts per square meter. As scientists discovered, crowded conditions produce the gregarious behavior even in the laboratory. Once in the swarm stage, locusts can travel up to 3,000 miles per generation. They have a double set of wings, about 5 inches across, and they fly at 10 to 25 miles per hour, where the winds take them. The main source of energy for their flight is their reserve fat.

## Currency Rates

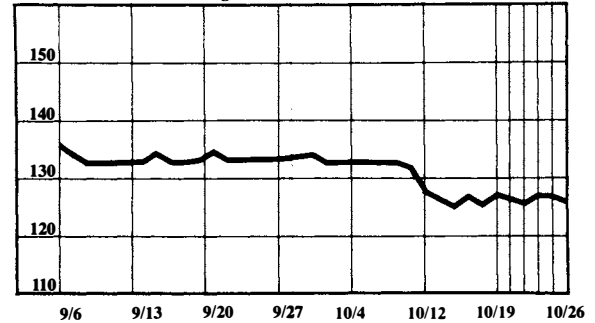
### The dollar in deutschmarks

New York late afternoon fixing



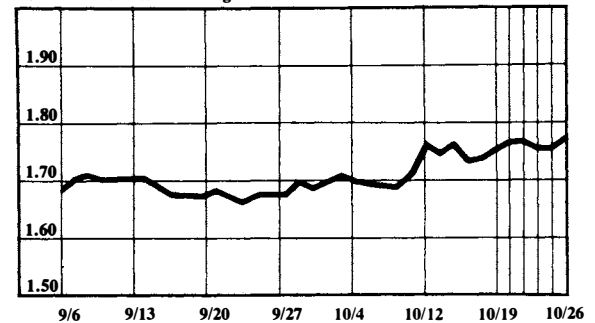
### The dollar in yen

New York late afternoon fixing



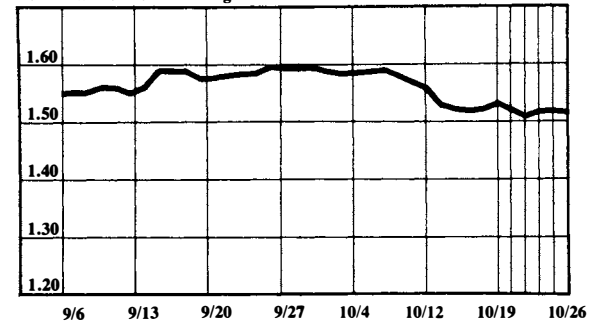
### The British pound in dollars

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### The dollar in Swiss francs

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# Drug legalizers hold 'Schmoke in'

*Scott Thompson reports on the reincarnation of the Yippie movement as libertarian bankers, at the conference of the Drug Policy Foundation.*

On Oct. 20-23 the Drug Policy Foundation (DPF) held its second International Conference on Drug Policy Reform in Washington, D.C. Behind the facade of the three-piece-suit, Ivy League-educated drug legalizers of the foundation, lurked the long-haired Yippies of the foundation's precursor, the National Organization for the Reform of Marijuana Laws (NORML).

Still, as speaker after speaker announced, the main purpose of this DPF gathering was to legitimize discussion of the legalization of such dangerous narcotics as marijuana, cocaine, heroin, and crack.

One hundred and fifty representatives from around the world therefore concentrated their efforts upon trading rhetorical arguments in favor of legalization, while also spinning libertarian schemes as to how a world would be governed where you could step into a corner store and purchase a dose of psychotropics.

The Drug Policy Foundation that sponsored the event was founded in 1987 with generous donations from Chicago commodities broker Richard Dennis and Mary Ann Snyder of the Chicago Resource Center. Its president, Arnold Trebach, has a doctorate of jurisprudence from an Ivy League college, and from head-to-toe he is a model of the cleaned-up apologists for the dope lobby.

His vice-president, Kevin Zeese, is a Virginia attorney, who recently brought a medical marijuana suit before the Drug Enforcement Administration, which argued that marijuana should be reclassified as a Schedule II drug that doctors could prescribe for treatment of cancer, glaucoma, etc.

Like the old-style, 1960s degenerates of NORML, however, several spokesmen for the DPF confirmed that this lawsuit is only the foot in the door for mass legalization of marijuana, which would invade the community through a variety of venues.

The board of advisers and directors of the DPF is a "who's who" of the new, cleaned-up model of the old NORML druggie, including:

- Richard C. Cowan: a Texas oil independent, who is associated with the Libertarian wing of the conservative movement. Cowan was a co-founder of William Buckley's Young Americans for Freedom (YAF), and he wrote the first piece advocating legalization of drugs in Buckley's *National Review* in 1972. In that year, Cowan began to work on a

volunteer basis for NORML. He insists that marijuana legalization (and especially its medical use) should be the wedge for legalizing the more addictive narcotics.

- Dr. Lester Grinspoon: a member of the Department of Psychiatry at Harvard Medical School who has written affidavits for the DPF's medical marijuana suit.

- Ethan Nadelman, Ph.D.: a member of Princeton's Woodrow Wilson School of Public and International Affairs, is the liberal wimp who has emerged as the foremost apologist for narcotics legalization. Nadelmann has written several pompous pieces on the subject for leading Establishment journals.

- Wesley A. Carroll Pomeroy: founder of the Independent Review Panel of Dade County, Florida and a lifelong law enforcement officer. Pomeroy disgraced all police at the conference by calling not only for the legalization of every dangerous drug, but the creation of red light districts in major cities where addicts could get their fixes. Pomeroy argued that the War on Drugs has merely corrupted police—as all vice enforcement does—which appears to be pure projection of Pomeroy's moral degeneracy, since he policed Woodstock.

## **Scheuer: Let addicts kill themselves**

Rep. James H. Scheuer (D-N.Y.), a member of the House Select Committee on Narcotics, was trotted out before the cameras to speak on, "The View from Capitol Hill: A Report on Drug Legislation in Congress." Scheuer tried to take the liberal, moral high ground by arguing that the recently passed drug bill focuses upon criminal justice, which, Scheuer argued, has never worked. Instead, he called for a "pragmatic approach" that would recognize that a law enforcement focus upon interdiction of supply is just not working.

Like NORML, Scheuer argued that marijuana is more benign than alcohol or tobacco. A pragmatic course would be to repeal prohibition of this drug, as happened with alcohol. Scheuer argued that once that occurred, there could be an education campaign like that for "safe sex" in the AIDS epidemic to stop the proliferation of marijuana abuse that might follow repeal.

However, when a journalist asked Scheuer point blank whether he favored legalization of marijuana, cocaine, and heroin, he sidestepped the issue. Scheuer said that he had

been in politics too long to take such a provocative stand. But, he might favor a system whereby doctors could prescribe these dangerous drugs to addicts.

Meanwhile, he would cap funds for law enforcement efforts—no doubt of great interest to the major narcotics traffickers in Scheuer's district—to concentrate efforts on his "safe drugs" education program.

The mask dropped from Scheuer's liberal morality, when a journalist taped him in conversation with members of the foundation after his speech. The journalist was so appalled by Scheuer's attempts to suppress the statement, that he provided them to *EIR*. Scheuer said:

"No army on Earth is as powerful as an idea whose time has come. No one is running against me. I have a free ride. . . . My constituency would be eight-to-one or nine-to-one against decriminalization of drugs. If I had a chance to talk to each of them for 15 minutes, they'd be eight-to-one for it.

"You see, they don't like the urban destabilization. They don't like the crime. . . . I represent Bronx, Queens, and Nassau. When I go to Great Neck in Nassau, which is a very wealthy and well-educated community, and I talk about drugs, they holler out in unity: 'Legalize the stuff. Let them kill themselves. Legalize it!'

"These are wealthy people who don't like crime. They don't give a sh\*\*\* about the addicts. If they want to kill themselves, f\*\*\* 'em, let them kill themselves. They can kill themselves with tobacco. They can kill themselves with alcohol. Why should they be bopping me on the head and stealing my Porsche because we don't let them kill themselves with drugs? They can kill themselves with anything they want. They yell out: 'Legalize!'

While Scheuer laughed after the above statements, he may have less fun explaining his statements to the ghetto mothers in his district whose children are increasingly being swept up in the crack epidemic.

### Using AIDS to legalize drugs

Scheuer's hypocritical performance was matched by that of Baltimore Mayor Kurt Schmoke, a Harvard graduate and Rhodes Scholar, who was introduced to the conference as "a young man who has a bright future." Schmoke began by praising the DPF for its forum series on Capitol Hill, which has brought the legalization argument to legislators.

Schmoke's "moral argument" is that the present law has made criminals out of millions of people who have a disease. But acknowledging that his constituency, which is led by conservative black ministers, does not care about this problem relative to the horrors of drug addiction, Schmoke explained to the conference attendees how he had tricked these same ministers by using AIDS as the issue.

Schmoke said that the second largest number of AIDS victims in Baltimore can be found among intravenous drug users, and by hammering away at this issue he has won over the black ministers in his city to discuss a free needle distri-

bution program similar to the one Mayor Ed Koch unsuccessfully proposed in New York. Schmoke notified the conference that he is chairman of the Mayors Conference's committee on AIDS, and that he will also raise this issue in that forum.

Again and again during the question period, delegates tried to get Schmoke to go further. He said: "I must be careful not to say anything that makes it appear that I condone drug use." Put simply, Mayor Schmoke is such a hypocrite, he is scared that his constituency will stumble onto the fact that he is a bedfellow of the Yuppies of NORML and the Libertarian Party of "acid and abortion."

In questions later, Mayor Schmoke told a journalist that he does, in fact, favor "decriminalization," which would permit a doctor to give addicts their fix.

### Smoke rings around the world

There was a large international representation at the conference with delegates from Latin American drug-producing countries, Europe, and even officials of the Dutch government whose drug legalization program was a model much praised by the conference. In one of the workshops, Dr. Luigi Del Gatto of the Radical Party in Italy announced his plans to create an International Anti-Prohibition League. Del Gatto said that such a league must be organized in time to intervene in the forthcoming elections of the European Parliament.

He projected that outside his own party, which last year elected a porn movie starlet who stripped in public—"La Cicciolina"—to the Italian Parliament, the main allies of such a movement would be the Green Party of West Germany. This pro-terrorist party, which was co-founded by former Nazis, has been the public leadership for the Soviet-steered "peace movement," which regularly attacks NATO military facilities in Europe.

This same workshop on International Drug Policy Reform also discussed how to take advantage of the planned, corporatist integration of Europe, which is to begin in 1992. It was suggested that with the assistance of the Dutch government, there might be an effort to legalize drugs throughout Europe on the Dutch model. But speakers from the Netherlands warned that at present, there is a great deal of pressure from West Germany, especially, for the Netherlands to re-criminalize drugs.

These European government officials admitted that the way they have gotten some of the pressure taken off is to bargain for easier rules in other areas of contraband. Specifically, they stated that the Netherlands has eased its laws on international arms-trafficking to appease the Belgians on the drug issue. Clearly, what is being discussed under the rubric of drug law reform in 1992 is a transformation of the European laws that would turn Europe into a "free zone" for drugs-and-arms trafficking, precipitating a renewed round of international terrorism in its wake and a further collapse of morality to the benefit of NATO's Soviet adversary.

# Mexico bailout: quid pro quo for commitment to common market?

by Peter Rush

Experiencing a hemorrhaging of dollars of over half a billion a week from its national reserves, and facing worse to come, the Mexican government scampered off to its friends in Washington to request yet another bailout to keep its shaky financial ship afloat. Responding in under two weeks with an alacrity that stunned the banking world, the Treasury and Federal Reserve came up with their offer of a \$3.5 billion "bridge" loan, and told the world this was a reward for Mexico's dutiful carrying out of U.S. wishes with respect to "reforms" of the Mexican financial and economic system.

But the proverbial fine print reveals the loan offer to be little more than a "media event" intended to shore up "confidence" in the Mexican markets, at least long enough for George Bush to slide into office before a financial holocaust engulfs Mexico—and the rest of Ibero-America. Moreover, there is every reason to suspect that there was an unreported price paid by Mexico for the loan offer, in the form of commitments from the incoming Carlos Salinas de Gortari administration to speed up the turning of Mexico into an economic colonial satrapy of the United States, on the model of a large-scale Puerto Rico, culminating in Mexico's joining the much discussed "North American Common Market."

The backdrop to the remarkable loan offer is the steady erosion of Mexico's foreign exchange holdings, which have dropped from over \$16 billion in May, to an estimated \$10 billion today. More worrisome for Mexican authorities, capital flight accelerated sharply during September, as speculators began betting on a near-term "maxi"-devaluation of the peso. *El Financiero* reported Oct. 17 that about 5 trillion pesos moved out of the government paper known as "CETES" and into dollars which then fled the country, drawing down dollar reserves by more than \$2 billion.

At the same time, Mexico's trade picture has gone from bad to worse. Falling oil prices have slashed export revenue from that source, while non-oil exports are expected to show sharp declines for the second quarter of 1988, as exporters suffer from the effects of high inflation since last January, uncompensated by devaluation. Already some exporters are threatening they will shortly have to close their doors if peso costs continue to rise vis-à-vis dollar receipts for export sales. Moreover, the failure to devalue and the new reduction of

tariffs have caused a flood of cheap imports which have led to an increase in imports of 50%. As a result, Mexico's normally large trade surplus is shrinking fast, and its balance of payments is reportedly on the verge of becoming negative for the first time since 1982.

Internally, the expectation of the speculators who maintain the government's more than \$15 billion in internal debt, and the more than \$25 billion in non-government money markets—90 trillion pesos altogether—that a devaluation was imminent had forced interest rates up from 72% to 120% on one- and three-day notes as of Oct. 14, the Friday before the loan announcement. The government's refusal to pay these rates to roll over the CETES was the major cause of the flight from government paper into dollars.

It was to impress these speculators, who currently control Mexico's financial system, that Salinas de Gortari sent his negotiator José Córdoba to Washington early in October to open negotiations for a loan intended to show U.S. confidence in Mexico. The appropriate U.S. authorities apparently got the message. The scale and timing of the loan "surprised most commercial bankers," reported the *Financial Times* of London Oct. 19, while an informed London banking source reported that in the negotiations, conducted "in the most absolute secrecy I have ever seen," Washington has treated Mexico like a Texas bank bailout. The *Financial Times* further noted that "the two most remarkable aspects of the Mexican agreement are its size, many times larger than any bridging loan for a debt-burdened developing country, and the uncertainty of how it will be repaid."

Beneath all the hoopla, what does the U.S. offer actually amount to? Since only \$1 billion of the loan can be drawn in the short term, it would be a drop in the bucket against a determined run on the peso. Rather, its real purpose is psychological, to tell the world—and the speculators—that the United States is 100% behind Salinas and his policies. The official joint announcement of the Treasury and the Federal Reserve on Oct. 17 praised the "economic measures recently announced by the government of Mexico," singling out "the process of fiscal consolidation and the structural transformation of its external sector," and saying that "U.S. and Mexican authorities have agreed that Mexico's strengthened

economic policies merit support.” The policies referred to include Mexico’s lowering of tariffs and freeing up of imports, selling off most of its parastatal companies, repeated cutting of the government budget, and enforcing the so-called “Economic Solidarity Pact” under which real wages are allowed to continue falling. The announcement further stated, incredibly, that Mexico “has established the basic conditions for the renewal of sustained economic growth,” a claim belied by the very urgency of the loan offer.

Press coverage of the loan has focused on the obvious concern of U.S. authorities that nothing untoward happen to Mexico’s financial house of cards in the waning weeks of the De la Madrid administration. “The U.S. evidently wanted to let the world know that no crisis would be allowed to develop” in the wake of the oil price fall, stated an Oct. 24 *Washington Post* editorial. The *Financial Times* called the loan offer “a dramatic gesture of the building of confidence at a moment of extreme political sensitivity in Mexico.” Salinas’s backers, according to the *Times*, said that “he now has a cushion of financial support and can clearly demonstrate that future economic strategy enjoys the full confidence of the U.S.”

A more sanguine view was expressed by a key London banker, who commented, “We can assume that Bush did not want the debt crisis to explode on election eve,” while the *Financial Times* commented that the loan “was also intended to ensure that nothing untoward disrupts the apotheosis of Mr. Bush.”

Critics in the banking community have reportedly complained of the absence of an explicit agreement with the IMF. However, the wording of the loan announcement makes clear that disbursing the loan is “dependent on the development of loan programs by Mexico with the World Bank and the IMF.” The arrival in Mexico of World Bank Vice President Shaid Hussain just two days before the loan announcement, to head up a 50-person joint World Bank-IMF team to study the Mexican economy, shows that present Mexican policy already enjoys the 100% backing of both institutions.

Moreover, behind the loan lies a set of agreements between the U.S. and Salinas de Gortari, that have not been made public. The announcement by President De la Madrid of a further \$250 million cut in the government budget, and the agreement reached to extend the Solidarity Pact at least until Jan. 1, are widely believed to have been part of the deal. De la Madrid also just announced the “privatization” of another several score public companies, perhaps as part of the deal.

Not reported, but almost certainly part of the deal, is an agreement by Salinas to move as rapidly as possible to integrate Mexico into the proposed “North American Common Market” heralded by the recently signed trade accords between the U.S. and Canada. Not only is Salinas known to privately favor the idea, but it is being championed by a new “Binational Committee for the Future of Mexico-U.S. Rela-

tions” which is certain to have Salinas’s full support. The Binational Committee just announced Oct. 14, following a recent meeting, that one of its top agenda items is to push for the common market idea in the economic sectors in Mexico, and in the government, to overcome popular resistance to the idea.

The idea of the common market is also consistent with Salinas’s known program for giving the private sector almost free rein in all economic matters, while further freeing foreign trade. The predictable result will be the spread to the whole of Mexico of the *maquila* system that already dominates the northern border with the U.S. This entails setting up low-skill assembly factories for U.S. products whereby semi-finished products are imported and finished goods re-exported. Labor receives very low salaries—currently much less than 10% of U.S. wages—while the foreign exchange earned goes strictly for paying interest on Mexico’s foreign debt. A common market arrangement will doom what remains of Mexico’s industry that serves the domestic market.

However, this entire scheme depends on permanently forestalling the expected financial blowout that was the impetus for granting the loan in the first place. While the *New York Times* reports Oct. 23 that the loan has eased the immediate pressure against the peso, absolutely nothing has been solved by this latest gambit. The economy continues collapsing, at an accelerating rate. The latest casualties are in the agricultural sector, where farmers are saying they cannot afford to plant next spring’s crop at the just-announced parity prices, while vegetable exporters have said they can no longer afford to export at existing exchange rates. *Excelsior* correspondent Roberto Vizcaíno summed up the economy Salinas will inherit, calling it undercapitalized, overindebted, inflation-prone, and with inadequate “technological and financial infrastructure . . . to assure growth and the necessary development demanded by the country.” In short, six years of internal looting to pay the foreign debt has left the country an economic shell, which simply cannot continue much longer in its present mold.

In the short term, inflation has been held to under 1% a month only by flooding the country with cheap imports, holding interest rates at hundreds of percent above inflation, and continuing to suppress the wages of workers who have already lost more than 50% of their real incomes in the last six years. The pressure for devaluation will eventually have to be satisfied, which will immediately unleash inflation again. Also, the price freeze has merely suppressed, not eliminated inflation. A 30% price increase has just been announced for meat and eggs, with another increase to follow in January, and there are hundreds of other products whose prices must be increased, or production will stop. Hence, the present loan solves nothing. As observed by the *Financial Times* in an Oct. 19 editorial, the United States may up merely wasting its resources propping up the peso, and in the process giving the green light to flight capital, financed with the loan.

## **Banks set post-election attack on U.S.**

*The central bankers favor Dukakis, but do not see Bush as a particular obstacle to their plans for austerity.*

**A** bankers' symposium in Lugano, Switzerland, October 19-21, threw light on the Bank for International Settlements' (BIS) blueprint for the post-U.S. election period.

Speakers, drawn from the central banks and finance ministries of Western Europe and the United States, confirmed that an attack will be launched on the United States economy through the financial markets as soon as the elections have been completed.

There is even a chance that the assault will come before the elections, if these policy-making circles judge that the election outcome will make much difference to their success in imposing restrictive credit and budgetary policies on the United States.

The Bank for International Settlements central bank grouping has, if anything, tended to favor Democratic presidential nominee Gov. Michael Dukakis in the presidential campaign.

This is because Mr. Dukakis is seen as the candidate more likely to withdraw U.S. support from Western Europe. With U.S. influence out of Europe, the way would be clear for rapid progress toward the 1992 pan-European system, including close links between Western and Eastern Europe, which many European policy-makers now favor.

Nevertheless, Republican presidential candidate George Bush is not regarded as so serious an obstacle in the way of the 1992 plans as to justify taking major risks to ensure Mr. Dukakis's success.

The BIS central banks, including the United States Federal Reserve, are likely to pursue three objectives after

the November 8 election.

First, they will be seeking to eliminate inflation, even at the cost of sacrificing economic growth.

Secondly, they will aim to avoid monetizing public sector budget deficits. The simplest way of achieving this objective is to pressure governments, and especially the incoming U.S. administration, into cutting the size of the budget deficits through spending cuts and higher taxes.

Thirdly, the central banks will be determined to keep control of the international financial markets, because it is through these markets that they can most directly exert pressure on governments.

These policy aims were endorsed by the participants in the Lugano symposium.

The most senior of them was Mr. Paye, secretary general of the Paris-based Organization for Economic Cooperation and Development (OECD).

He underlined the point that there had to be fiscal response, that is, gouging of public spending programs, in those countries now running deficits on the current account of the balance of payments.

These remarks were understood to be directed against the United States and the United Kingdom, the latter in an attempt to embarrass the government of Prime Minister Margaret Thatcher, which is opposed to the "Europe 1992" plans.

Mr. Pieske, a leading official of the West German Finance Ministry, went into more detail. Those countries with balance of payments deficits would not only have to cut budgetary

expenditures, but also abolish tax breaks for interest on consumer credit and mortgages.

He looked forward to the development of the European internal market and of common European monetary institutions.

The latter point was also taken up by Mr. Boyer, once Spanish finance minister and now a member of the European Community's Delors Committee, which is planning for European monetary union.

He discussed the issue in a speech to bankers on the Royal Yacht *Britannia* during Queen Elizabeth's state visit to Spain in mid-October.

Mr. Boyer said that he believed the future lay with central banks, independently constituted and not accountable to elected governments. These central banks could cooperate effectively to impose the non-inflationary conditions which would pave the way for monetary union in Europe.

That these ideas are now being expressed openly, shows that the Bank for International Settlements central bank grouping is confident that it can achieve its objectives.

The first step will probably be a controlled but precipitate fall in the U.S. dollar before the end of this year.

This would be designed to take the U.S. currency down to levels which would "justify" a Federal Reserve Board tightening on anti-inflation grounds.

It would also, the central bankers hope, frighten U.S. legislators into hasty action to slash the budget deficit.

*The author is a senior economist from the City of London, who contributes this occasional commentary to EIR and to the European EIR Strategic Alert service. For information on obtaining the Alert service in Europe, see back cover of this issue.*

### Kohl and Gorbachov 'break the ice'

*Fifty leaders of German industry and banking accompanied the chancellor on his long-awaited Moscow summit.*

Chancellor Helmut Kohl's long-delayed summit meeting with Mikhail Gorbachov finally took place in Moscow Oct. 24-27, amid expectations of expansion of trade between the two countries. Kohl was accompanied by 5 government ministers and 50 leaders of banking and industry, who signed more than 30 business deals with the Soviets.

The deals included a \$540 million project to build a new type of nuclear reactor in the Soviet Union, and a 3.2 billion deutschemark credit line from Deutsche Bank. There were also state-to-state agreements on environmental protection, nuclear power plant safety, space cooperation, and food production.

This was a terrible time for Kohl to go to Moscow, in the midst of the U.S. election transition, and hence a leadership vacuum in the West. Maybe that was what Gorbachov had in mind when he told Kohl, "Now, the ice has been broken."

The Kremlin gives maximum significance to its "German flank," to driving a wedge between the West Germans and the United States.

This policy was underlined shortly before Kohl's Moscow trip by the appointment of former ambassador to Bonn (1971-78), Valentin Falin, as the new head of the Soviet Central Committee's international department. It is the first time that a Germany expert was made head of that crucial section of the Central Committee. Falin had played a leading role in drafting the 1971 Four-Power Agreement on Berlin.

The issue of Berlin—and hence the status of divided Germany—goes to the heart of the political relations between the two countries. When Gorbachov gave his official dinner speech at the reception for Kohl on Oct. 24, he restated the Soviet view of the Berlin problem. To Kohl's cautious remarks that "Berlin must be the touchstone of improvements in East-West relations," Gorbachov responded rudely that "those who say so" are playing a "dangerous game."

The profit from the Kohl trip is all on the Soviet side. At least half of Deutsche Bank's DM 3.2 billion will be used for "improvements in the supply of consumer goods for the Soviet population." It is no secret in Bonn that this phrase circumscribes Soviet plans for "emergency food buys in the West," to "stabilize Gorbachov in a critical internal power situation."

The Soviets are interested in German assistance in the building and modernizing of slaughterhouses, refrigeration and food storage complexes, production of cartons and cans, factories for food-processing and deep-freeze packaging technologies, as well as fertilizers, harvesting machinery, and other equipment to improve an increasingly desperate food situation in the Soviet Union.

No doubt Gorbachov and the Soviet leaders will capitalize on this German credit line, together with the other recent credits, totaling \$8 billion, which they have arranged with British, Italian, Japanese, and Swedish banks. More than the other Europeans, this agreement puts the Germans

on the Soviet hook. More than the other West European governments, all of whom have chosen a political course of appeasement toward Moscow as well, the German government in Bonn has sold out to illusions that "deals on the German Question can be made with the Soviets."

Germany is a priority target of the Soviet-controlled campaign of peace-niks against NATO. Remarks made by Gen. Vladimir Kryuchkov (then the head of KGB foreign intelligence, now the head of the KGB) at an internal Soviet Foreign Ministry conference at the end of July, made that clear. The Kryuchkov speech went unnoticed by most Soviet-watchers in Germany, because it was not published before Kryuchkov himself wrote an article for the October Russian-language issue of the monthly *Mezhdunarodaya Zhizn* (*International Affairs*). Reviewing his July speech, Kryuchkov said that through the mobilization of the peace movement (this would emphatically include the German Social Democrats) and the Greens, the "brains of Western politicians" had been influenced in the Soviet direction, and that this work should be continued on a new level.

In Kryuchkov's article, the same phrase used by Gorbachov—"the ice is broken"—appeared in a telling context. "The practical steps that we have launched to break the ice in Western Europe have borne fruit," he wrote. "We have successfully changed people's minds. . . . The policy conducted by Gorbachov has been a big success. . . . We will continue to orient to the Greens and the peace movements . . . to put these people in the forefront, so as to influence the minds of the politicians."

Had Kohl understood this Moscow strategy, he would not have made his pilgrimage there at all.



## Farm Credit System cuts crop loans

*The nation's largest agriculture lending entity is less and less committed to financing food production.*

**T**he Farm Credit System made headlines in October on the questions of whether its regulating agency, the Farm Credit Administration, has been withholding financial information from Congress, while obtaining federal bailout aid; and whether the FCS has been plotting to forego farm production loans in favor of non-farm banking "services" like credit cards and consumer loans.

The Farm Credit System is the largest single farm lending entity in the United States, accounting for about one-third of the outstanding agricultural debt of \$175 billion.

FCA head Frank Naylor, formerly Deputy Secretary of Agriculture in charge of the USDA's farm credit programs, has conducted himself at the FCA in such a manner as to confirm every charge against him. Naylor believes in the need to "diversify" the Farm Credit System out of providing credit for farming. Reflecting his view, James Kirk, president of the Omaha Farm Credit Services, recently told the *Des Moines Register*, "We would like to be able to offer, in conjunction with someone else who has the expertise, investment vehicles for our members, such as savings accounts, checking accounts, investment accounts, IRAs, CDs."

Farm state officials and congressmen do not agree. Rep. Jim Leach (R-Iowa) blasted the FCA: "The idea that the U.S. government should infuse funds in a farmer-oriented system so that it can in turn become a banker/broker/real estate empire is socialized nonsense."

While Congress fulminates, crop production credit is being systemati-

cally denied to farmers by the FCS. But Congress has initiated no emergency measures to provide credit and inputs to expand 1989 food output. Because of the drought, and the precarious financial condition of farms after successive years of low crop prices, it is in the immediate interest of the nation's food supply to ensure that farmers have access to crop production credits for the winter carryover and spring planting. Just the opposite is taking place.

Overall, the FCS Production Credit Associations, created in 1933 for the express purpose of financing farm production, have cut their lending by over 45% in recent years. In Iowa, the heart of the farmbelt, the PCA has reduced lending by 96% since 1980, and has stated that another 50% of those remaining loans will not survive the impact of the drought.

The regional president for Farm Credit Services of Iowa, Moe Russell, said during an interview in August concerning the drought legislation, that 50% of their 3,500 production loans would not survive. On Oct. 4, Russell announced that 25% of their current PCA loans would not be renewed. This announcement came before harvest was over and at the beginning of the loan renewal season when operating loans are reviewed to see who will get financing for the coming crop year.

It may be expected that next spring, when a lender commitment is needed to finance a crop, another announcement will be made that 25% more of the loans did not survive the drought.

This process shows that the decision has already been made to reduce the level of financing for food produc-

tion. The Farmers Home Administration (FmHA), the government "lender of last resort," is now beginning its review of more than 95,000 borrowers who are more than three months delinquent on loans, to determine which will be helped by rescheduling, restructuring, or lower interest.

The FmHA foreclosure moratorium specified by the 1987 Agriculture Credit Act, expired in October this year, and letters of notification of the need to apply for "restructuring" will go out to farm borrowers in November. Under the prevailing Washington policy, preventing food "surpluses" is the foremost problem, and therefore it is deemed acceptable for independently family-owned farms to be foreclosed upon.

Meanwhile, there is a wave of commercial bank failures. In Iowa alone, 37 banks have failed since 1984, not including those independent banks which were purchased by larger banking interests before being declared insolvent. The number of problem banks has increased 585% over this time.

Just as in the foreclosure of a farm, in which the farming operation is stripped of its assets necessary to produce, the buyout of a bank puts its assets into the hands of a larger entity which then determines the priorities of how these assets will be used. Since 1980, the number of bank holding companies has increased over 125%, while their financing of farm real estate has increased almost 50%, and their financing of farm production has decreased.

As independent farmers keep mortgaging to produce, more farmland will become the acquired property of lenders. The number of independent producers is shrinking every day, and the control of food production is centralized into fewer and fewer hands.

# Business Briefs

## Science

### China inaugurates new atom smasher

China on Oct. 19 inaugurated one of the world's most advanced atom smashers, an underground machine physicists use to study the basic structure of matter, the official Xinhua News Agency said.

Zhou Guangzhao, president of the Academy of Science and head of the project, called its completion one of the most important advances in Chinese science in recent years, the agency said.

The \$65 million machine causes subatomic particles to collide and disintegrate into tiny units that can be photographed.

The project, begun in 1984, includes a 656-foot-long linear accelerator, a radiation laboratory, and a computer center.

## Dope, Inc.

### Bolivia plans to export cocaine

Bolivia plans to export coca paste and cocaine "for medicinal purposes," government officials announced Oct. 19.

They said that the Soviet Union has put in an order for 220 pounds of cocaine and 10 tons of coca paste for its pharmaceutical industry, while "a European country" had offered to buy 10 tons of coca base a year for \$10 million, officials said.

Deputy Planning Minister Anibal Aguilar, who would not name the European country, said the legal coca exports depended on authorization by the U.N.'s International Narcotics Control Board.

Deputy Minister for Social Defense Jorge Alderete added that Bolivia is also considering adopting "the Peruvian policy" of selling confiscated drugs. In September, the Peruvian government issued a decree allowing coca and coca paste confiscated by law enforcement officials to be sold, instead of burned.

## East bloc

### Troubled Yugoslavia sharply raises prices

The government of Yugoslavia, teetering on the edge of a military coup, ethnic civil war, or both, has just announced sharp food price increases.

The government announced a 60% rise in the price of bread, while price increases are expected to "drive the remaining shoppers out of the meat markets."

Ground beef prices have been increased from \$2.21 to \$3.39 per pound. The cheapest kind of bread rose 5-8¢ a pound.

Yugoslavia has implemented a savage austerity policy at the behest of the International Monetary Fund. Its rate of inflation is now 217%.

Food prices were already a major cause of the breakout of ethnic hostilities before the latest hikes.

## Trade

### Wisdom from the Fed chairman

"Goods Shrink and Trade Grows," reads the headline on a piece of post-industrial gibberish by Federal Reserve chairman Alan Greenspan in the Oct. 22 *Wall Street Journal*. He insists that world trade is "expanding." He then gives statistics that prove that world trade is *not* expanding.

He argues that trade is expanding, on the basis of a "marked downsizing of economic output." For example, radios have been miniaturized and don't weigh as much. "Obviously, the less the bulk and the lower the weight, the easier it is to move goods."

But it is also not expanding, he admits: "If all the tons of grain, cotton, ore, coal, steel, cement, and the like that Americans produce were combined, their aggregate volume probably would not be much greater on a per-capita basis today than it was, say, 50 or 75 years ago."

"It is not surprising, therefore, to find that pounds shipped by vessel and air per

real dollar of U.S. exports have fallen an average of more than 2½% per year during the past two decades. Pounds shipped per real dollar of U.S. imports have declined an average of more than 4% per year.

"On a global basis, the real value of trade has grown at an annual rate of more than 5% over the past two decades, significantly outstripping the growth in world GNP. In tonnage terms, of course, the increase has been far less."

What trade has then been "expanding"? The "conceptual components" of world trade, such as "information technology."

Greenspan also argues, "The extraordinary downsizing of goods makes protectionism harder to sustain," and makes economic integration more necessary, as in the "Europe 1992" project, in which all customs barriers are to be dropped in Europe that year. All this, says Greenspan, requires greater coordination of industrial nations' economic policies to prevent "destabilizing capital flows."

Finally, he observes, "Coordination presupposes the foregoing of full sovereignty over a nation's affairs."

## Agriculture

### Seed corn output cut by half

1988's seed corn crop production will be 48% less than projected, according to the American Seed Trade Association of Washington, D.C., which surveyed its membership in late July and early September.

Said Bill Schapaugh, executive vice president of the association, "In my opinion this is very reliable information. Seed corn supplies are going to be very, very tight and inadequate for next spring. The situation is unprecedented in the seed corn industry. I have never seen it before; I don't believe there's ever been such a wide area of production affected."

Typically, there's a pipeline supply of seed that either is in reserve or ordered by dealers or farmers that isn't planted during the season. Today, that pipeline is only 30-35% of what is available in a normal year.

## Europe 1992

### Strauss calls for economic summit

Appearing at an Oct. 25 symposium of the American Enterprise Institute titled "Trade Policy: The Next Four Years and Beyond," Robert Strauss called for major economic bargaining to take place at a summit with the Japanese and the European Commission on trade policy. Strauss said that the focus of this discussion should be how to create growth and markets in the Third World, so that the debt problem can be resolved.

Observers believe Strauss has in mind schemes like the "North American Common Market," which would facilitate the looting of Mexico by North American financial interests. Strauss is a former Democratic Party chairman and now a leader of the "bipartisan" National Economic Commission, which is plotting ferocious austerity for the United States under the next administration. He is known to oppose any policy that would actually promote economic growth.

Strauss and another NEC member, William Brock, praised European plans for integration in 1992 at the symposium. The elimination of customs barriers that year is to be followed by the elimination of national sovereignty under a "European Central Bank," and transformation of the continent into a looting ground for the Soviet Union.

Strauss called these plans "tremendous," adding that the changes only start in 1992, and will continue at least until the year 2000. After the initial economic integration, will follow tighter administrative integration. Strauss predicted that the Europe 1992 developments will drive the Japanese into a closer trading bloc with the United States.

## Technology

### Japanese building experimental ship

The Mitsubishi shipyard in Japan is building an experimental, electromagnetic-propelled ship, which could be launched by 1990,

London's *Daily Telegraph* reported Oct. 25.

The ship will be equipped with Toshiba-made superconducting magnets for electromagnetic propulsion. It will be able to cross the Pacific Ocean in one-quarter of the current time. The ship is named Yamato One, after a Japanese battleship sunk by the Allies in 1945.

The ship will use an electromagnetic thruster to create a water jet that will replace the current propellers. This contains a water duct surrounded by extremely powerful superconducting magnets, and electrodes that send a current through the water. The water jet arises from repulsion between the magnets and the current in the sea water. The water jet will give the ship high speed in relation to the magnetic field strength, low noise, and lower operating cost.

## Euthanasia

### C. Everett Koop joins death lobby

Speaking in Worcester, Mass. Oct. 24, U.S. Surgeon General C. Everett Koop asserted that he thinks it is all right to starve terminally ill patients to death—provided, of course, they ask for it.

He told a conference on euthanasia that, if a patient refused food, "I would stand back to let nature take its course. That's a phrase and an approach I suggest that we might want to explore and rely on more and more." Especially, no doubt, as the AIDS plague, which Koop is the chief official liar about, keeps on spreading.

Koop cited the case of his "Uncle Harry," whom he treated, and for whom he decided against a feeding tube. "Uncle Harry was loved and cared for. He was given nutritious fluids and medication he would or could accept" without a feeding tube. "His death was a good death, but it wasn't euthanasia."

Koop's remarks were hailed by Dr. Fred Rosner of the University of New York at Stony Brook, who declared that "only the lawyers and the ethicists . . . insist that the patient be kept alive by any means."

● **JOHN CRYSTAL**, head of Bankers Trust in Des Moines, Iowa, arranged for 11 Soviet farmers to visit central Iowa farms in October as part of a cultural exchange program. Crystal, Roswell Garst's nephew, had the group hosted by the Garst bank network in Iowa. Garst hosted Soviet Chairman Nikita Khrushchev at his farm in Coon Rapids on Sept. 23, 1959.

● **THE BANKS** cannot blithely accept suitcases, cardboard boxes, and bags full of money, and expect to escape attention, Assistant Commissioner of Customs William Rosenblatt told Reuters Oct. 27. "If you have criminals coming to your bank to make enormous deposits . . . we are going to go after your officers, your directors, for conspiracy with those criminals," he said.

● **EVERY CHILD** in the continent of South America enters the world with more than \$30,000 of financial debt, James Grant, president of UNICEF, told a conference on infant mortality in Mexico City Oct. 26. He reported that 22% of all deaths in Mexico each year are children under the age of five.

● **CLAYTON YEUTTER**, U.S. Special Trade Representative, was to decide by Oct. 28 whether to retaliate against Japan for its ban on imported rice. Japan holds its self-sufficiency in rice very dear. U.S. trade groups representing rice farmers and millers, filed a petition requesting an unfair trade practices investigation in September.

● **FOOD BANKS** controlled by the grain cartel's Second Harvest network are having no trouble obtaining food, but others which have refused to become part of Second Harvest in Texas and Ohio are being starved of supplies.

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## Status of the x-ray laser: the exclusive real story

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*Charles B. Stevens pieces together the evidence from the redacted reports and correspondence of the top scientists on the most promising of SDI technologies. The first of two parts.*

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We undertake here a detailed technical analysis of the letters and reports released this past summer, in the wake of the latest controversy surrounding the hydrogen-bomb powered x-ray laser. These documents and the following analysis demonstrate that most of what has been publicly presented by others in the way of technical assessments of President Reagan's Strategic Defense Initiative (SDI) program, first announced on March 23, 1983, has been way off the mark.

Almost all of these so-called "technical" assessments have been off the mark by as much as a factor of one million! That is, they have been treating the technologies involved as if they were not the technologies they really are: For example, as if there were no difference between spears and guns, or between chemical explosives and atom bombs.

And, despite the recent release of an overwhelming amount of previously secret data and assessments, most scientific and technical journals are still publishing distorted reports, to the effect that the x-ray laser does not work, and that Dr. Edward Teller—the "godfather" of the SDI—is an emperor with no clothes. In this light, it is evident that these technical journals are, to a degree, deliberate in their misrepresentations, and to a degree, ideologically blind to this subject matter.

In any case, what is true is that the nuclear-powered x-ray laser has tremendous firepower potential—one module potentially capable of knocking out the entire ballistic missile fleet of the Soviet Union. In this, the x-ray laser categorically demonstrates the efficacy of Lyndon H. LaRouche, Jr.'s design of the SDI policy. And even so, as Edward Teller emphasizes, the x-ray laser is certainly not the only potential

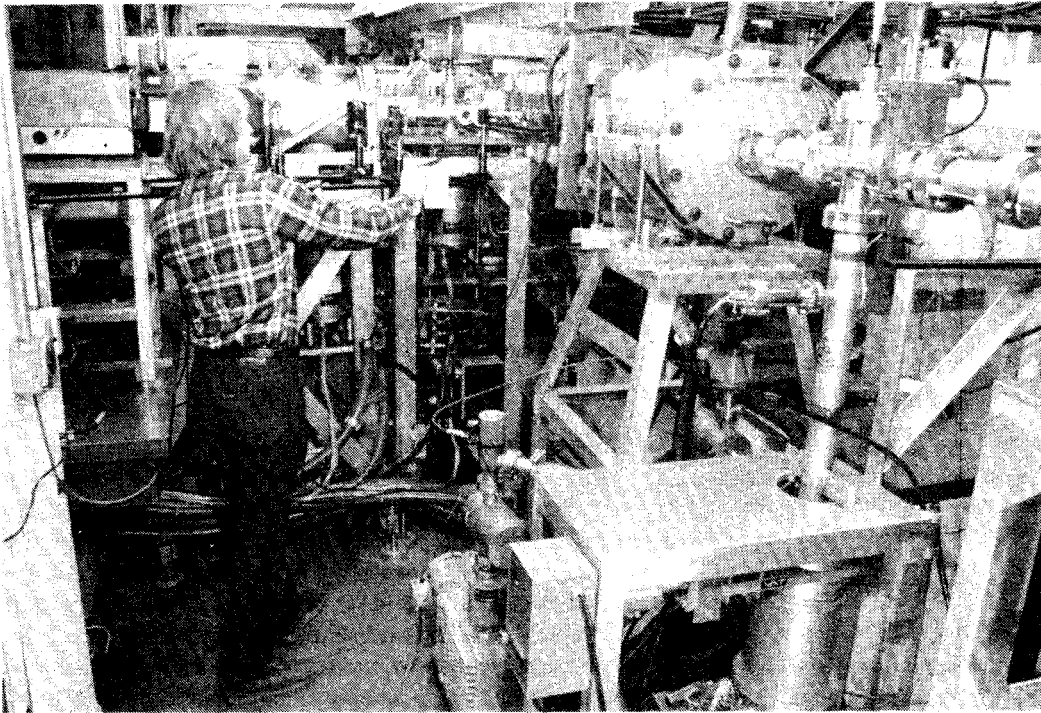
defensive weapon, and is possibly not even the best one.

Yet, it is sadly the case that the West has failed to actually adopt the policy required in regard to SDI. Therefore, the following technical assessments have an ominous ring, since the West has not launched a crash R&D program, according to all public reports, and the Soviets have had at least a seven-year lead on the West in the development of the nuclear-powered x-ray laser. (Obviously, one module can also knock out the entire U.S. missile fleet!)

Part two of this report, appearing in *EIR's* next issue, contains two detailed designs for possible target-acquisition, pointing, and tracking systems for the x-ray laser. These system designs demonstrate that while the x-ray laser anti-missile capability does require further technical developments to be realized as an effective weapon, the advances required are far less than those needed for any other proposed system.

### **Analysis of the Teller-Woodruff letters**

The Government Accounting Office recently released declassified letters of Edward Teller and Roy D. Woodruff concerning the x-ray laser. Analysis of these letters, plus a few conjectures, yields what can be considered highly probable estimates of key x-ray laser design parameters. These key design parameters are 1) the *yield* or energy output of the thermonuclear weapon driving the x-ray laser; 2) the *energy conversion efficiency* or the ratio of the energy of the x-ray laser beam to the energy of its nuclear weapon; 3) the *divergence angle* or spread of the x-ray laser beam; 4) the *kill fluences* or the energies per unit area the x-ray laser must



*X-ray laser at Princeton University.*

deliver to a booster or a reentry vehicle (RV) to obtain a sure kill; and 5) the *brightness* or intensity of the x-ray laser beam. (While RV refers to reentry vehicle, it is also used as a synonym for nuclear warhead, since the reentry vehicle carries the nuclear weapon to its target.)

The kill fluence of a target should not be confused with its *hardness*. The hardness of a target is the fluence level at which significant damage will likely occur, whereas kill fluence is typically 10 times this number. The kill fluence is the value of fluence for which a kill is virtually assured, since it compensates for any hardness uncertainties.

The brightness of an x-ray laser is a function of its energy conversion efficiency and its divergence angle; therefore, any two of these three parameters determines the third. Of the five key parameters, energy conversion efficiency and divergence angle are the most difficult to estimate, since the information in Teller's and Woodruff's letters is insufficient to compute unique values.

More explicit definitions of all the key parameters, as well as their relationships to one another, may be found in next week's report.

The key pieces of evidence establishing the high probability of accuracy for the parameter estimates are 1) comments in Woodruff's letter to Gen. G.K. Withers concerning a table of key x-ray laser parameters; 2) statements in Woodruff's letter to Paul Nitze concerning the range of x-ray lasers; 3) statements of x-ray laser brightness enhancement in Teller's letters to Robert McFarlane and Nitze; and 4) Teller's statements concerning the distance at which targets can be killed in the same letters.

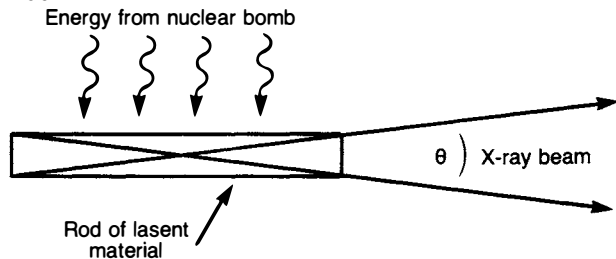
### **Woodruff's letters**

After listing a few critical x-ray laser parameters by name, Woodruff says in his letter to Withers, "Many individuals, organizations and review committees have done back-of-the-envelope calculations to estimate these parameters—some of which even appear in the open literature. Most get the 'right' answer and these results are summarized in the following table." The table has been deleted in the declassification process, but a paragraph later, Woodruff says, "Many technical people who should know better seem to regard the above table as the end game. It is not! Even A. Carter [Ashton B. Carter, MIT physics professor and SDI adversary] seems to have missed that . . . the laser represented by this table is by no means the end of the line for x-ray laser potential."

Woodruff further states that the table presents two x-ray laser conceptual designs: the Excalibur or "baseline design," which was designed on paper in 1980, and the Excalibur(+) [sometimes called Super Excalibur] or "baseline physics limit." Woodruff refers to the Excalibur parameters as the "reasonable line in the table," and says Livermore is moving "as rapidly as data and theory will permit to find the actual [Super Excalibur] limits," as compared to the postulated values for Super Excalibur in the table. Woodruff also says that the planned steps proceeding to Super Excalibur have been the topic of at least three Jason reviews and several DOE/DARPA workshops and "so far no one has identified any show stoppers." DOE and DARPA are the Department of Energy and the Defense Advanced Research Projects Agency.

In light of Woodruff's comments about individuals and organizations getting the "right" answer, and the special at-

FIGURE 1



*In an x-ray laser, a rod of lasant material is pumped to upper energy states by a nuclear bomb. Those cascades of downward transitions that travel lengthwise build up more energy than sideways-going cascades. As a result, most of the energy emerges from the ends of the rod into a cone with divergence angle equal to twice the rod width divided by its length.*

Source: Ashton B. Carter

attention he gives to Ashton Carter, it seems highly reasonable to suspect that Ashton Carter's conceptual design of the x-ray laser published in "Directed Energy Missile Defense in Space" (Office of Technology Assessment, April 1984), provides good estimates of key x-ray laser parameters. Since the American Physical Society (APS) also presented an exemplary x-ray laser design in their July 1987 report on directed energy weapons ("Science and Technology of Directed Energy Weapons," *Reviews of Modern Physics*, Vol. 59, No. 3, Part II, July 1987), Carter's and the APS's numbers can be cross-checked for consistency. A consistent set of numbers from these independent sources would support the conjecture that Carter's numbers are credible estimates of key x-ray laser design parameters.

Both Carter and the APS authors base their key assumptions on publications in the open U.S. and Soviet literature. However, both also had access to classified aspects of the x-ray laser program prior to the completion of their reports. The APS authors were briefed on the results of x-ray laser underground tests conducted in 1985, results that were not available to Carter, or to Teller and Woodruff for that matter.

A key piece of evidence for validating Carter's numbers is also contained in Woodruff's letter to Paul Nitze. Talking about Excalibur (to be precise, Woodruff refers Nitze to a paragraph in Teller's letter, where Teller discusses a near-term x-ray laser; for reasons discussed below, this near-term device is Excalibur), Woodruff says, "The possibilities for using such a weapon would include the . . . exoatmospheric intercept of tens of objects (such as boosters and RVs) at distances from 100 km to 1,000 km depending on target hardness." Since RVs are harder—that is, they require more energy to be deposited on them to be destroyed—than boosters, and the energy deposited by an x-ray laser beam is inversely proportional to  $R^2$  (proportional to  $1/R^2$ ) where R is

the distance to a target, we can conclude that RVs are about a factor of  $10^2$  (i.e., 100) times harder than boosters and that tens of boosters can be destroyed at 1,000 km and tens of RVs can be destroyed at 100 km.

Woodruff implies that Excalibur can have tens of independently aimable beams. If all of the beams are aimed at a single target, the total energy deposited on the target is simply the sum of the energy due to each beam. If we assume Excalibur has about 30 beams, then Woodruff is telling us that Excalibur can destroy a single booster at about 5,500 km and a single RV at about 550 km.

## Teller's letters

Some of Carter's parameter values can also be directly compared to numbers given by Edward Teller in his letters. In Teller's 1984 letters cited above, he gives the brightness and lethal range for two x-ray laser conceptual designs—a near-term design expected to be realized in this decade, and a far-term design. According to Teller, the near-term design uses "sharply directed beams which locally enhance the brightness . . . of the nuclear bomb effects a million fold" and "can destroy sharply defined objects [e.g., boosters] at a distance on the order of 1,000 miles [1,600 km] and possibly more." "The overall military effectiveness of [far-term] x-ray lasers relative to the hydrogen bombs which energize them may . . . be as large as a trillion, when directed against sharply defined targets." With the far-term device it "might be possible to generate as many as 100,000 independently aimable beams from a single x-ray laser module, each of which could be quite lethal even to a distant hardened object [e.g., an RV] in flight. The beams from such x-ray lasers could also be useful in striking targets deep in the atmosphere, down to altitudes of perhaps 30 km."

Since Woodruff's letters were a response to Teller's letters, it can only be that Teller's near-term device is Woodruff's Excalibur, and Teller's far-term device is Woodruff's Super Excalibur. Thus we know that the Excalibur is about a million ( $10^6$ ) times brighter than the nuclear bomb that powers it, and Super Excalibur is about  $10^{12}$  times brighter than the nuclear bomb that powers it. We also know that "this is not the end game," according to Woodruff. We can also conclude that Excalibur can kill a single booster at roughly 4,000 km (this is based on Woodruff's letter suggesting roughly 5,500 km and Teller's comment suggesting 1,600 km or more), and that Super Excalibur could kill 100,000 "distant" RVs. The term "distant" can probably be interpreted as about 550 km (Woodruff) to 1,600 km (Teller), or about 1,000 km.

## Estimating x-ray laser parameters

While Teller does not give the brightness of Excalibur and Super Excalibur, he does give their brightness enhancements, i.e., the ratio of the brightness of the x-ray laser to the

brightness of the x-ray emissions of the nuclear bomb powering it. Thus, if we know the latter, we can compute the former. The x-ray brightness of a nuclear bomb can easily be estimated if we know its yield or energy release and the fraction of energy emitted as x-rays. Putting it all together, the x-ray laser brightness is simply the brightness ratio times the bomb yield times the fraction of energy released as x-rays divided by  $4\pi$  (see next issue for details).

The brightness of an x-ray laser can also be determined if we know how much energy it deposits at a specified range. Since Teller and Woodruff give ranges at which targets can be destroyed by x-ray lasers, we can compute the brightness of the x-ray lasers if we know the kill fluence of the targets. The brightness is simply the kill fluence times the square of the lethal range.

To summarize, Teller's and Woodruff's numbers for the x-ray laser brightness ratios and x-ray laser lethal ranges provide two independent means to estimate x-ray laser brightness. One requires knowing the yield of the x-ray laser's nuclear bomb; the other requires knowing the kill fluence for boosters or RVs. It turns out that estimates of these two parameters (yield and kill fluence) to within an order of magnitude can be made fairly easily.

Carter and the APS authors perform back-of-the-envelope calculations for the x-ray laser energy level required to kill a booster. Carter computes an x-ray laser booster kill fluence of 20 kilojoules/cm<sup>2</sup>, while the APS authors come up with 5 kilojoules/cm<sup>2</sup>. Both of these numbers presume an impulse kill, i.e., the x-ray pulse (assumed by both studies to be "soft" x-rays with a wavelength of roughly 1 nanometer, or a photon energy of 1.24 keV) generated by the x-ray laser would be absorbed in a fraction of a millimeter of the skin of the target, which would explode (vaporize), sending a shock-wave through the target. Since the APS analysis is more detailed than Carter's and had the benefit of an additional three years' worth of publications from which to draw, we shall give their result greater weight and assume the kill fluence of boosters is roughly 10 kilojoules/cm<sup>2</sup>.

Woodruff's letter to Nitze suggests that RVs are 100 times harder than boosters. Therefore, we shall assume that the kill fluence of RVs is roughly 1,000 kilojoules/cm<sup>2</sup>.

Based on the above kill fluences and assuming Excalibur has 30 beams, we find that the brightness of each beam is  $5.3 \times 10^{19}$  joules/steradian and the total brightness is  $1.6 \times 10^{21}$  joules/steradian. For Super Excalibur, we find that the brightness of each beam is  $1.0 \times 10^{22}$  joules/steradian and the total brightness is  $1.0 \times 10^{27}$  joules/steradian.

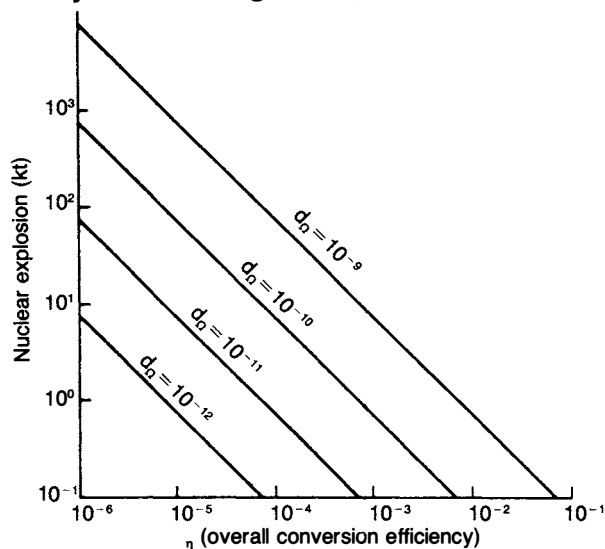
The above brightnesses can be cross-checked by independently estimating the yield of the nuclear bomb powering the Excalibur and Super Excalibur. In his exemplary x-ray laser calculations, Carter uses a nuclear bomb yield of 1 megaton. While such a number simplifies the arithmetic of his calculations, there is no rationale given for the selection of this

number. It is known however, that the yield of RVs is of this order of magnitude. However, a rather strong argument can be made for a yield of roughly one tenth of this value.

If one believes the United States would not deploy an x-ray laser unless it was fully tested, then an upper limit for the yield of the nuclear bomb powering an x-ray laser can be set at 150 kiloton, given existing treaty specifications. Currently, the Threshold Test Ban Treaty between the United States and U.S.S.R. limits the yield of underground nuclear test devices to 150 kiloton (Ref. 1). Given that the theory, and therefore the scaling relationships, for x-ray lasers is not yet well understood, it seems doubtful that Teller and the Livermore Laboratory would base their claims for x-ray laser effectiveness on devices that could not be fully tested. Thus, we hypothesize that the numbers put forward for Excalibur and Super Excalibur are based on 150 kiloton nuclear bombs.

Assuming 150 kiloton nuclear bombs (1 kiloton is equivalent to  $4.186 \times 10^{12}$  joules) which release 70% of their energy in the form of x-rays (Ref. 1), and using Teller's brightness ratios, the brightnesses of Excalibur and Super Excalibur are  $3.5 \times 10^{19}$  joules/steradian and  $3.5 \times 10^{25}$  joules/steradian, respectively. These values are within a factor of 50 of those calculated using kill fluences. Thus, we can be quite confident our brightnesses are within an order of magnitude

FIGURE 2  
**Pump power needed for producing  $3 \times 10^7$  j/m<sup>2</sup> on a target at 1,000 km**



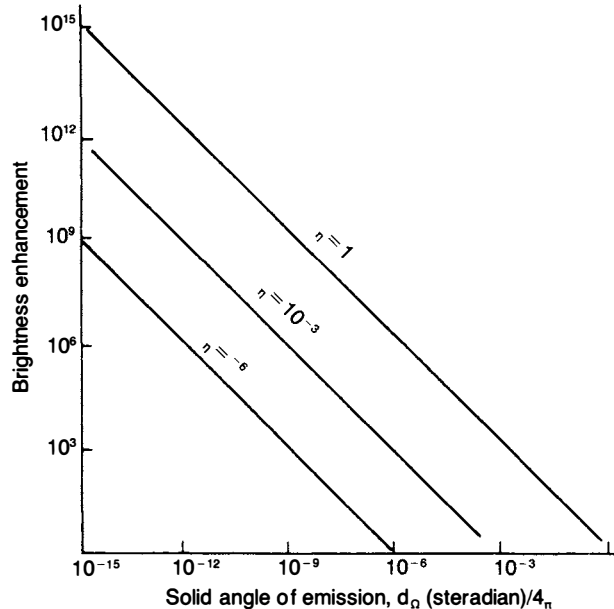
Calculated nuclear explosion pump power needed for the delivery of a fluence of 3 kJ/cm<sup>2</sup> on a target at a range of 1,000 km as a function of the overall conversion efficiency. Variations are shown for a number of solid angles of x-ray laser emission.

Source: APS Study: Science and Technology of Directed Energy Weapons.

of the actual values. Averaging our yield and kill fluence results to the nearest order of magnitude, our best estimates for the brightness of Excalibur and Super Excalibur are  $10^{20}$  joules/steradian and  $10^{26}$  joules/steradian, respectively. Recalling our original list of five key x-ray laser design parameters, only two have not yet been specified: energy conversion efficiency and divergence angle. As the next report will show, 16 times the energy conversion efficiency divided by the square of the divergence angle is equivalent to the brightness ratio. Thus, when the brightness ratio is known, specifying one of these two parameters determines the other. Both Carter and the APS authors use values for the energy conversion efficiency and divergence angle that yield a brightness ratio of roughly  $10^9$ , which is "midway" between the Excalibur and Super Excalibur brightness ratios specified by Teller. Thus, we can assume that the Carter and APS values are in the ballpark.

Carter uses an energy conversion efficiency of 2.5% and a divergence angle of 20 microradians. The APS study presents the energy conversion efficiency parametrically, but centers its value at about 0.1%. The APS study gives special attention to a divergence angle of 1 microradian by using it in a numerical example.

FIGURE 3  
X-ray laser brightness enhancement



Calculated brightness enhancement for a nuclear explosion pumped x-ray laser as a function of the solid angle of laser emission. Three typical variations are shown for the overall conversion efficiency of 1,  $1^{-3}$ , and  $10^{-6}$ .

Source: APS Study: Science and Technology of Directed Energy Weapons.

Carter claims his numbers are upper limits belonging to a "perfect" x-ray laser, i.e., the energy conversion efficiency cannot exceed about 2.5% and the divergence angle cannot be less than about 20 microradians. It is for these dogmatic claims that Woodruff chides Carter in his letter to Withers.

Clearly, one or both of Carter's numbers are not upper limits and can be improved upon, since his x-ray laser is not as bright as Super Excalibur. Based on the pumping efficiency of other lasers (e.g., excimer lasers), we concur with Carter's upper limit for the energy conversion efficiency. Thus, there must be room for improvement in his divergence angle. This is consistent with the APS authors' use of a smaller divergence angle in their exemplary calculation.

In fact, based on Carter's approach in analyzing the divergence angle, 20 microradians is probably closer to a nominal, near-term value. Carter presumes that collimation of the x-ray laser beam is solely due to a "mechanical" effect, analogous to placing a pure color (a single frequency) light bulb at the closed end of a long, narrow tube. Because the photons leaving the bulb are not in phase (the light is incoherent), the light leaves the bulb isotropically (equally in all directions). Since only light traveling down the axis of the tube can leave the tube's open end, the tube collimates the light. Collimation can be improved by using longer, narrower tubes, but only up to the point that the light becomes diffraction limited. This point defines the optimum dimensions of the tube and the minimum divergence angle of the light. Using this approach, Carter derives his 20 microradians (see next week for details).

What Carter neglects is the nonlinear phenomenon of plasma focusing. When the lasant material is pumped by the nuclear bomb's x-rays, it is vaporized and forms a plasma. As the lasant plasma relaxes to a lower energy state, photons cascade down the length of the plasma and it lases x-rays. But the plasma's work is not over. It possesses optical properties that can focus the x-ray beam beyond the "mechanical limit" put forward by Carter. This focusing can be produced in two ways—by actual bending of the x-rays and by enhancing the coherence of the beam (i.e., putting all the individual x-ray photons "in step" or in phase). For a coherent beam, divergence of the beam is reduced by increasing the aperture through which the beam is emitted. Carter's use of long, narrow rods of lasant material is not required in this case, and would actually increase the divergence.

Since plasma focusing is an extremely complex phenomenon, it is likely that this effect would not be counted on for an initial prototype x-ray laser such as Excalibur. Thus, we consider Carter's 20 microradian divergence angle an upper limit for Excalibur, but not for Super Excalibur.

Now, presuming 1) the upper limit of energy conversion efficiency for Excalibur and Super Excalibur is on the order of 1% (cf. Carter); 2) the upper limit of Super Excalibur's divergence angle is unknown; and 3) the upper limit of Excalibur's divergence angle is 20 microradians, what can we



TABLE 1

**Estimates and comparisons of x-ray laser parameters**

	Teller & Woodruff			APS Study	EIR	
	Excalibur	Super Excal	Carter		Excalibur	Super Excal
1. Yield, kilotons	?	?	1000	?	150	150
2. Conversion efficiency	?	?	.025	.001	.001	.001
3. Divergence angle, microradians	?	?	20	1	100	.1
4. Brightness multiplier	10 <sup>6</sup>	10 <sup>12</sup>	10 <sup>9</sup>	10 <sup>9</sup>	10 <sup>6</sup>	10 <sup>12</sup>
5. Number of x-ray laser rods	1 to 20	10 <sup>5</sup>	?	?	1 to 100	10 <sup>5</sup>
6. Brightness, joules/steradian, using 1 & 4 above	?	?	10 <sup>24</sup>	?	10 <sup>20</sup>	10 <sup>26</sup> (10 <sup>21</sup> per rod)
7. Fluence at 1000 km, kilojoules/cm <sup>2</sup> using 6	16F*	100F (each rod)	10 <sup>5</sup>	?	10	10 <sup>7</sup> (100 per rod)
8. Range at booster kill fluence, km	4000	10,000 (each rod)	70,711	?	1000	3162 (each rod)
9. Range at RV kill fluence, km	400	1000	?	?	100	316 (each rod)
10. Booster kill fluence, kilojoules/cm <sup>2</sup>	F	F	20	5	10	10
11. RV kill fluence, kilojoules/cm <sup>2</sup>	100F	100F	?	?	1000	1000

\* Where F is the average power per unit area, or Flux of radiant energy at a distance R from its source and is given by:  $F = B/R^2$ , where B has units of kilojoules per steradian and R is measured in centimeters.

say about the "practical" values of the energy conversion efficiency and divergence angle of Excalibur and Super Excalibur? If we adopt the rule of thumb that most physical processes operate within 10% to 100% of their upper limits or theoretical maxima, then the non-unique values of energy conversion efficiency and divergence angle that conform to our assumptions and also yield the brightness ratios of Excalibur and Super Excalibur are as follows. For Super Excalibur: 0.1% and 100 microradians, respectively; for Excalibur: 0.1% and 0.1 microradians, respectively. In light of the information available, these values appear to be reasonable

estimates of the relevant parameters.

**Table 1** summarizes our best estimates of the Excalibur and Super Excalibur key design parameters, as well as the hard data provided by Teller, Woodruff, Carter, and the APS study. We utilize the variable F, the flux, to present the ratios discussed by Teller and Woodruff.

**Reference**

1) Taylor, Theodore S., "Third-Generation Nuclear Weapons," *Scientific American*, Vol. 256, No. 4, April 1987.

# The mystery of the Soviet shuttle

by Marsha Freeman

For the past 10 years, experts in the West have been arguing over whether or not there is a Soviet space shuttle, and when it would fly. After years of denial and contradictory statements, in May 1987, the Soviets finally admitted that their reusable spacecraft did exist. On Oct. 26, the Soviet news agency Tass announced that the maiden flight of the craft would be on Saturday, Oct. 29.

It should not really be surprising that the shuttle "Snowstorm" did not launch on the day the Soviets said it would. For one, as Hugh Harris, the voice of Shuttle launch control at the Kennedy Space Center said, "Space shuttles and delays go hand in hand." It is a complex system, with any number of technical problems that can develop in even the last few minutes before lift-off.

The news reports are that the launch platform, which gives engineers and technicians access to the orbiter while it is on the pad, would not move away properly before launch, which canceled the lift-off. Yet Tass stated that the flight was postponed "indefinitely," which would lead one to suspect a more serious technical problem. The Soviets have not been ready to do a second test flight of their Energiya booster, on which the shuttle depends, for a year and a half, undoubtedly because of serious technical problems. In September, they lost the first of two Phobos spacecraft that are supposed to go to Mars.

The most astonishing aspect of the announced shuttle test flight was that the Soviet orbiter is not a stand-alone system, but is attached to the Energiya super-booster, which takes it into space, and the Energiya has been flight tested *only once*, in May of 1987. At that time, the dummy payload atop the rocket did not deploy properly.

Nicholas Johnson, an expert on Soviet space programs, wrote two years ago that the Soviets "traditionally exhaustively test" any new launch vehicle. Why risk a half-billion dollar shuttle orbiter on a rocket that has been tested only once? For years, space analyst James Oberg insisted it was highly unlikely that the Soviets would test a reusable shuttle system in the 1980s. One reason is that the Soviets have never demonstrated the sophisticated computer technology needed to fly a machine that takes off vertically on a rocket, but lands horizontally, like an airplane.

No matter how well trained your pilots might be, this vehicle cannot be flown without computers. Of course, what these able analysts did not bank on was *glasnost*. One observation made by many aerospace engineers privately, is that this new "openness" has probably given the Soviets the computer technology they needed. Of course, the most common comment made, when the Soviets released the first-ever photograph of their shuttle on the same day the Discovery returned America to space, was, "It looks familiar." That the Soviets saved themselves many years, many rubles, and the embarrassment of failure, by simply "borrowing" the design from the U.S. orbiter, is virtually undeniable.

According to Oberg, however, there are a very limited number of designs that would make aerodynamic sense, considering the fact that the spacecraft has to be brought in from orbit to land on a runway. But the U.S. did the wind tunnel tests, the aerodynamic drop tests, and took the risks that the Soviets were able to by-pass.

In preparation for the testing of a full-scale orbiter that can carry about 65,000 pounds of payload like its U.S. predecessor, the Soviets did landing tests with a mini-spaceplane between 1982-84. Apparently the full-scale model has jet engines, unlike the U.S. Shuttle, which would allow it to land under power, and make a second attempt at landing if it were out of alignment with the runway. Two runways have been built for the Soviet shuttle.

But a mystery still remains—why are the Soviets developing a space shuttle? They do not need it to deliver cosmonauts routinely to their Mir space station. For more than a decade they have used highly reliable expendable rockets to do this, which they mass produce.

They do not need a shuttle to deliver large payloads to Earth orbit—they have developed the Energiya booster for that very purpose, and do not have to risk the lives of people in a shuttle vehicle. Moreover, at least for their current Mir, which they certainly plan to use through the turn of the century, the modules and laboratories that have been designed to be added on, fit on their other operational boosters. In the next few years, it is most likely that the Soviets will be readying the deployment of an Earth-orbit-based strategic defense system, which may require the assembly of large structures. The shuttle gives the Soviets the ability to have a maneuverable, manned space platform, from which assembly and construction can be performed.

It is also possible that the orbiter will not always or even primarily be flown manned. Years ago, the Soviets tested an orbital system designed to deliver nuclear bombs to the West from space-based trajectories which allow the weapons to sneak by radar detectors and defenses.

It is disappointing that the Snowstorm did not take off as scheduled. It will be at a time when the Soviets are trying to prove *glasnost*, and when they are taking propaganda advantage of such an accomplishment, that Western observers may find out more about this mysterious shuttle.

# SPETSNAZ



## SPETSNAZ

In the Pentagon's "authoritative" report on the Soviet military threat, *Soviet Military Power 1988*, the word *spetsnaz* never even appears. But *spetsnaz* are Russian "green berets." Infiltrated into Western Europe, *spetsnaz* have new weapons that can wipe out NATO'S mobility, firepower, and depth of defense, before Marshal Nikolai Ogarkov launches his general assault.

## ELECTROMAGNETIC PULSE WEAPONS

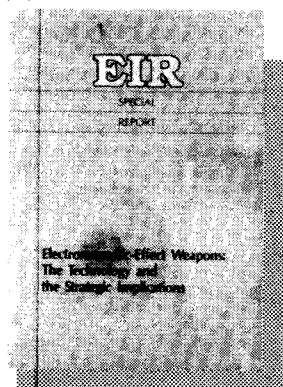
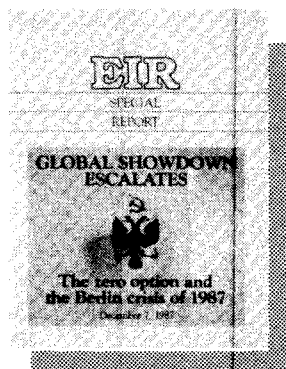
At least the Pentagon report mentions them—but only their "defensive" applications. In fact, they can be transported by *spetsnaz*, finely tuned to kill, paralyze, or disorient masses of people, or to destroy electronics and communications. With EMP, as strategic weaponry or in the hands of *spetsnaz*, the Russians won't need to fire a single nuclear missile to take Europe.

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## The myth of Marxian communism

The wife of a legendary rabbi of Prague

by Lyndon H. LaRouche, Jr.

*The article below was released by the author on Oct. 22, 1988.*

Remember that famous myth, of the legendary rabbi of Prague, on which Goethe modeled his fable of "The Sorcerer's Apprentice." Recall, perhaps, Walt Disney's Mickey Mouse version of Goethe's tale. Recall Jeremy Bentham's Jacobin witch, Mary Wollstonecraft Shelley, the hater of our Benjamin Franklin, who parodied the same story in writing her *Frankenstein*.

To refresh memories: The story goes as follows. This rabbi of Prague was famous for his powers of magic. Wanting a servant, he fashioned a creature from mud, a *Golem*, and, by cabbalist's incantations, enlivened him. He warned his wife not to attempt to use the creature, but, when the rabbi was out on an errand, her impulse to defy her husband's command overcame her. Once she had turned the Golem loose, she was unable to control it: havoc!

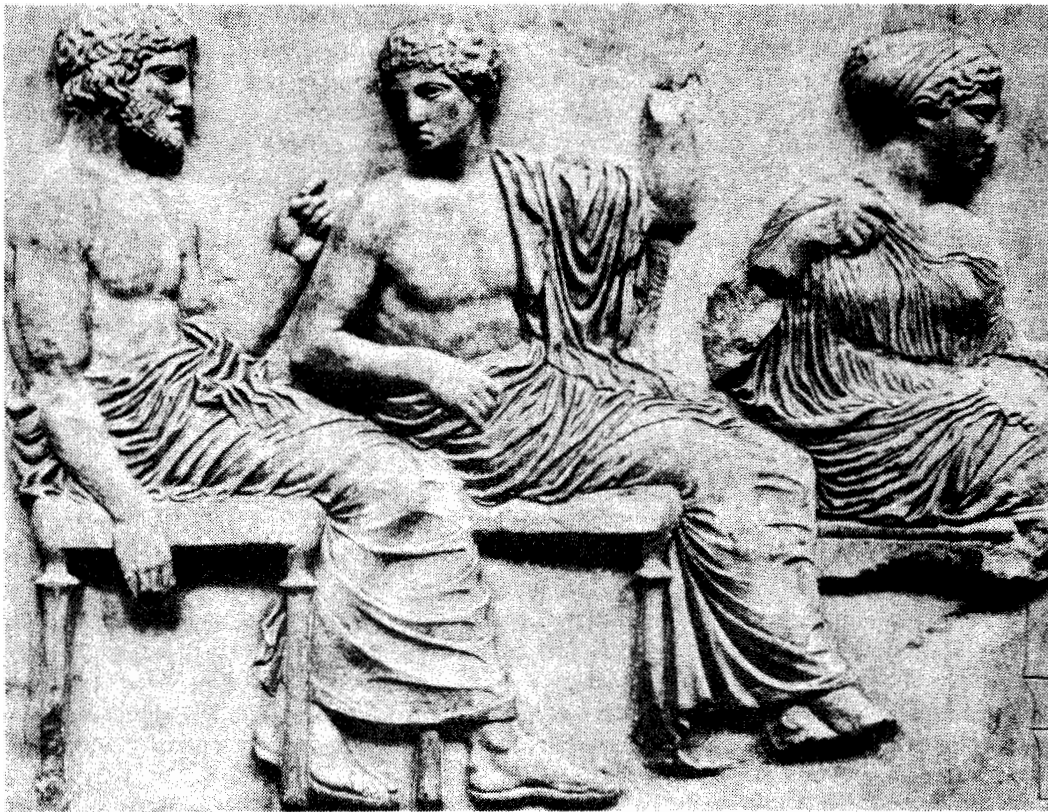
Such a Golem is Bolshevik Russia.

It is a simple sort of Jewish folkloric fairy-tale, yet it contains implicitly all of the germs of a true classic tragedy. The moral flaw in the character of the rabbi prompted him to produce such a creature, and to place temptation in the way of a foolish wife who he should have known could not resist such lure. So, since neither of the two players, nor the poor Golem, were able to change its habituated nature, the tragic consequence ensued.

Such is the tragedy brought upon this planet by those who created, and fostered Bolshevik Russia.

It was real-life Magicians, including the Bogomils of Venice and kindred precincts, who created this monster known first as the province of Muscovy, and, later, transformed Muscovy into that Bolshevik Moscow devoutly dedicated to the Dostoevskyian madness of establishing itself as the eternal capital of a Third Roman Empire.

The heirs of the ancient Magi have supplied themselves, and, unfortunately, our planet, many Golems, including Horace Walpole's Hell-Fire liberalism in eighteenth-century Britain, and eighteenth-century Jacobinism. They supplied us



*The gods of Olympus, from the frieze of the Parthenon. Today it is the "Venetian Party" which esteems itself the virtual gods of Olympus respecting the affairs of nations and individuals of this planet. To the degree we submit to their rule of society, we doom ourselves to share their fate.*

Mazzini's neo-Jacobin "Young Europe" conspiracy, out of which sordid infection came anarchism, terrorism, Karl Marx, modern fascism, and Bolshevism.

Today, this planet of ours appears to be well on the way to being plunged into a New Dark Age, a condition akin to fourteenth-century Europe's New Dark Age, but on a planetary scale. That terrible event is not yet absolutely certain; but, if the world continues its present course at the present rate, the point-of-no-return will be reached during the coming four years, perhaps the first two years of the next U.S. presidency. Unless the policy-shaping trends of the recent twenty-odd years are dramatically reversed during the two or four years immediately ahead, the New Dark Age will be under way by the close of this century. If that occurs, entire nations will vanish from the political map, in the course of the eradication of all or nearly all of the populations of those nations.

If that occurs, by approximately the beginning of the next century, famine, disease, pestilence, and mass-homicide like that which Pol Pot's Khmer Rouge wreaked upon 1970s Cambodia, will be commonplace in Africa, the Middle East, South and East Asia, and in Central and South America. In that case, Moscow might achieve imperial domination over Western Europe during the course of the 1990s, and even over the United States, too. However, the Soviet empire, too, will disintegrate rapidly during the decade or

so which follows.

The prospect, in such a case, is this planet's plunge into pervasive savagery, bringing the level of population down to the vicinity of about 1 billion, or even much less, within the space of a generation. It were possible that the human species could become extinct within the span of about two generations, through the effect of rapidly mutating human-specific, 100% fatal retrovirus infections, of which HIV (the "AIDS" virus) is but the first such pandemic.

Bolshevism, global communist and related subversion, and Soviet war-preparations are an integral part of this gloomy prospect. Yet, the Soviets are only the poor Golem, the mere *Sparafucile* of the real-life drama, as much in the grip of our common tragedy as we, the murderer's intended victims.

According to the script, as long as we accept the confinement of that stage, we are fated to do no better than fend off the communist assassins, if we can. According to the design of this drama, if we best one set of assassins, we accomplish no more than to be faced with a new pack of such cut-throats immediately thereafter. Why do we tolerate such a Manichean nightmare; why must we accept those terms? Is there no means, by which we actors might drag the author of this vile drama onto the stage, and settle the business for once and for all?

Why not destroy the common author of Walpole liberal-

ism, Jacobinism, anarchism, Marxism, fascism, and Bolshevism? Why not kill that Satan whom such as Friedrich Nietzsche and Aleister Crowley worshipped? Better, why not destroy that Whore of Babylon, that Shakti, that Ishtar, who is the great whore-mother of all such Satans and Molochs?

Can we not do those necessary things? Kill Satan? Kill his mother, the Whore of Babylon? Obliterate such Holy Scriptural figures? Is such business of God the business of man? Are we not the Creator's Right Arm, endowed with that reason which no other earthly creature possesses, that we, as dutiful creatures of Providence, might do precisely such awesome deeds when the time came we must do so?

That is no word-play with symbolisms. The words touch the essence of the most concrete grand strategy required for resisting and defeating the forces of the threatened New Dark Age. The Creator beckons us to kill that evil "Whore of Babylon." To obey that command, first we must track that foul mother of Satan to her lair.

We pick up the trail, her Bogomil spoor, in Venice.

### Venice creates Bolshevism

The putative author of the Bolshevik Revolution of 1917 was Venice's Count Giuseppe Volpi di Misurata, also the chief author of the Balkan wars leading into World War I, and later famous as the man who created the dictator Benito Mussolini. It was Volpi, through cut-outs such as Count Sforza, and in collaboration with Black Sea grain-traders such as the Recanatis of Salonika, who promoted the famous super-spy Alexander Helphand ("Parvus") of Odessa, and later placed that Parvus in the position in which he was paid more than 30 million gold Reichsmarks from the Kaiser's intelligence services, for putting the Bolsheviks into power.

Volpi was not a force unto himself, nor did Venice's orchestration of the Russian revolutions of 1905 and 1917 begin with Parvus's assignments to those undertakings. Volpi was the executive officer for a syndicate of Venetian noble families' financial trusts, *fondi*. Volpi acted in the interest of those families in Russian and Balkan affairs, as he did in putting Mussolini into power later.

Does "Venice" mean the stolid Christians of the Veneto region? Not at all. It means the notorious usurers, the noble financier families of that city floating upon a cesspool; it means today's far-flung global power, whose direction is concentrated in such satanic places as the site of the Cini Foundation on the island of San Giorgio Maggiore. It means that city which has been the cesspool of Western European civilization for more than a thousand years.

The Venetian noble families' preparations for the Russian revolution of 1917 reach back into the eighteenth century, to manipulation of the Russians' affairs through such scoundrels as the Orlov brothers and Prince Potemkin.

Inside Russia, the Venetian nobles' accomplices featured some of the most powerful aristocratic landowning families,

such as the extended Vorontsov clan. It was these *boyar* families, acting in part through their control over the Third Section of the Czarist interior ministry and the late Okhrana, who assassinated the "Westernizing" Czar Alexander II, and created the sundry radical populist, social-democratic, and Zionist organizations controlled by such Okhrana officers as the infamous Colonel Zubatov.

What is the centuries-old motive behind the evil work of these Venetian nobles? Look back to the 1815 Treaty of Vienna, where the Venetian John Count Capodistria, appointed by Venice to the rank of Czar's plenipotentiary, presided over the work of Metternich, Talleyrand, and Castlereagh. The purpose of that treaty, making Russia's armies "the policemen of Europe" (through 1849), was to eradicate the influence of the American Revolution from Europe, and the Americas, and to destroy the young United States in the process.

Go back to the beginning of the eighteenth century, when all Europe identified the first Duke of Marlborough as the leading English agent of the "Venetian Party." It was the triumph of Marlborough over the murdered corpse of Queen Anne, which brought Walpole's Hell-Fire liberals to power, and made inevitable the later American War of Independence against the heirs of a King George I, Marlborough's Venetian Party puppet.

It was the same Venetian Party, the so-called Lombards of the Black Guelph faction, whose usury and wars plunged fourteenth-century Europe into the New Dark Age culminating in the Black Death pandemic.

From the beginning of Venice's power as the Western subcapital of Byzantium, it steered the efforts to destroy the Augustinian order in Western Europe, as it did from the time of Charlemagne. It was this Venetian Party, in the guise of the Black Guelph faction, which exploited the conditions following the A.D. 1250 death of Frederick II, to plunge Europe into the fourteenth century's New Dark Age. That is the same Venetian Party, represented by such agencies as the pro-genocide Club of Rome, and that more powerful Cini Foundation based upon San Giorgio Maggiore, which connives at bringing about a planetary New Dark Age today.

Western Europe recovered from Venice's last New Dark Age on the basis of the Renaissance projected by Dante Alighieri and his successor Petrarch. The watershed of modern European civilization became the A.D. 1439 Council of Florence. Out of this Council came the modern form of sovereign nation-state, based upon literate forms of common languages, and dedicated to fostering the benefits of scientific and technological progress.

Since 1439, the consistent dedication of the Venetian Party has been to eradicate the work of that Council of Florence. As Oxford University's evil John Ruskin merely typifies this program, the Venetian Party is dedicated to eradicating the institutions of scientific progress and the sovereign nation-state republic, to turn the world back to conditions

like those established by the Black Guelph party at the beginning of the fourteenth century.

Already, during the period of the Council of Florence, Venice was the westernmost center of coordination of the efforts to destroy the Council. Venice, allied with the hesychastic party centered among the foul monks of Mount Athos, chose Moscow as the bastion of its counteroffensive against that Council.

Venice's choice of Moscow was not serendipitous. Muscovy had been created centuries earlier, as a bastion of Mount Athos' counteroffensive against the Christianization of Kiev Rus, the area of the modern Ukraine, and against the influence of Roman missionaries such as Cyril and Methodius among the Slavic peoples more generally.

It was during that period, under the sponsorship of Venice, that Moscow began its rise toward becoming the empire it represents today. Crucial, during that period, Venice, in collaboration with the hesychastic party of Mount Athos, conspired to place Greece and Constantinople under Ottoman rule.

Venice, together with Mount Athos, overthrew the Paleologue dynasty of Greece, and replaced it with the Byzantine Empire's new Ottoman dynasty, because the Paleologue emperor had subscribed to the theological and political terms of agreement reached at the 1439 Council of Florence.

Venice offered the Ottomans recognition as the hereditary rulers of the old Byzantine Empire, now the Ottoman Empire. Venice was given large tracts of Greek territory in payment for this service, and was given, as a concession, control of the Ottoman's diplomatic and foreign-intelligence service. Mount Athos, for its part in betraying the Greeks, was given rule over the non-Muslim populations of the Ottoman Empire, and the leader of the Greek quisling party, Gennadios, was appointed Patriarch by the Ottomans.

Venice gave its client, the old Swiss-Burgundian robberbaron family of Hapsburg, control over Spain and its empire, and over the Austro-Hungarian and Burgundian empires. From the beginning of the sixteenth century, until the Treaty of Versailles, Venice's playing of the balance-of-power game among the Ottoman, Austro-Hungarian, and growing Muscovite empires, became the perilous flank of the history of Western European civilization and culture.

The world is living with the results of that Venetian Balkan balance-of-power game to the present day, as the Balkans and attached Middle East emerge once again as the cockpit of a potential world war.

When that Venetian Party, then and afterward represented as a collection of financier interests spreading throughout Europe and North America, destroyed the Ottoman and Austro-Hungarian empires with the Balkan wars and World War I, it also unleashed a transformation of Russia for the future mission of obliterating the institutions and memory of the 1439 Council of Florence from this planet.

To accomplish this transformation of Russia, the Vene-

tian Party saw it indispensable to rid Russia itself of the "Westernizing influence" which Gottfried Leibniz had exerted upon Czar Peter the Great. Although some of the Romanov Czars, such as Alexander I, Nicholas I, and the ill-fated Nicholas II, had been won over, more or less, to the imperial vision of Ivan the Terrible, Alexander II's 1863 alliance with U.S. President Abraham Lincoln against Britain's Palmerston and France's Napoleon III reminded the Venetian Party that it must rid Russia of the institutional changes associated with the "Petrine State."

Inside Russia, Venice found two allies for this purpose, the anti-Petrine boyars, such as the Vorontsov clan, and those fanatics, the "Old Believers" (*raskolniki*), who had never forgiven the Romanovs for Peter the Great's attempts to Christianize the Russian Orthodox Church. For this purpose, the powerful aristocrats, such as the Vorontsovs, supplied the "inside job" of preparing the overthrow of the Petrine state; the *raskolniki* filled the ranks of the nihilists, the populists, the social-democrats, and the *Bolsheviks*. The coordinating role of the accomplices and dupes of the Western European and North American branches of the "Venetian Party," provided that orchestration of global events which made the "inside jobs" of 1905 and 1917 feasible.

The immediate intent of the Venetian Party was, and is today, to stamp out even the memory of those institutions set into motion by the 1439 Council of Florence. Like its creation Adolf Hitler, its deeper objective is to eradicate the memory of Christianity, and the kind of Judeo-Christian culture associated with the development of Western European civilization.

Thus, in the personality of the Venetian Party and its monstrously evil deeds, we have struck upon the spoor of Satan and his mother Ishtar, the Great Whore. Nothing less than the eradication of Christianity and its civilization, is the dark purpose of thoseimps of Satan. We pack our luggage, to depart modern Venice, to follow the back-trail leading to the Isle of Capri in the time of the ancient Roman Empire.

## Tiberius, the Anti-Christ

During the second half of the nineteenth century, the Venetian Party's warfare against Western civilization took a new turn, from delphic gnosticism, to overt satanism. In the English language, this turn is associated with Venice's indoctrination of members of the Acton family, with the cultish productions of Bulwer-Lytton, with the activities of the fanatical Venetians, Oxford's John Ruskin and his Pre-Raphaelite Brotherhood, and with the roles of such anthroposophs as Madame Blavatsky, Annie Besant, and Aleister Crowley. On the continent, this is associated with the literary outputs of Jakob Burckhardt, Nietzsche, and Dostoevsky.

Nietzsche and Crowley were explicit satanists. Both proclaimed the end of "The Age of Pisces," and the dawning of a "New Age," "The Age of Aquarius." Their satanic symbolic philosophy identified the "Age of Pisces" with Christ,

and the "Age of Aquarius," or simply "New Age," with the triumph of overt satanism. Hitler and Mussolini were but two famous products of the anthroposoph existentialists' undertakings. Bolshevism was another.

The general center of this satanist project was Venice's noble families, including the *fondi* associated with the Adriatic reinsurance cartel. The cynosure of this literal devilry, was the Isle of Capri. The central cult-figure of the Isle of Capri was the Roman Emperor Tiberius, the Anti-Christ who, from his palace on that island, had ordered the crucifixion of Jesus Christ.

The followers of Crowley, Alex Münthe, the Maxim Gorky who established the cultural dogmas of Bolshevism at Capri, and Hitler's emissary Hermann Goering later, were schooled in the history of Tiberius's role as the Anti-Christ. They did not invent the mythology; Tiberius's role as the Anti-Christ is real history.

The Roman Empire began on Capri.

The first century B.C. was a time of great troubles throughout the Mediterranean littoral. The priesthoods of the various forms of Great-Mother worship, the Syrian-Caanite Magi, the Ptolemaic cult of Isis, and of the cult of Apollo, were engaged in the effort to combine the conquests of Rome, Egypt, and Syria into a single world-empire. The bloody issue was, what would be chosen as the capital of this new empire? The leading contenders were Alexandria and the city of Rome. The decision was settled on the battlefield against Mark Antony and Cleopatra; Rome's victory had been negotiated earlier, at a meeting on the Isle of Capri.

There, Octavian, later Caesar Augustus, negotiated with the priests of the Syrian cult of Mithra, the Magi, for an alliance which would defeat Mark Antony's and Cleopatra's efforts to make Alexandria the capital of the empire. The deal was struck. Rome began the nominal capital of a federation of Rome, Egypt, and Syria, and Octavian became the Emperor Caesar Augustus.

The Roman legions became the real rulers of the empire in fact, and soon, through the Praetorian Guard, in name, too. The Isle of Capri, sacred to the Magi cult of Mithra, became the hereditary property of the Caesars; from there, Tiberius reigned. The Magi's cult of Mithra was frowned upon by the city of Rome for some time after, but on Capri, Mithra reigned, and reigned over the legions, too.

The Pontius Pilate who had married one of Tiberius's favorite nieces, was hustled off to become procurator of Judea (without the company of his bride, until the later time Tiberius tired of playing with his ward). By these channels the order was given and executed for the crucifixion of Jesus Christ. So, Tiberius as Capri's Pontifex Maximus of the Magi cult of Mithra, became the Anti-Christ, together with all who follow in the footsteps of such emperors of the first, second, and third Roman Empires since.

So, Adolf Hitler, according to Hermann Goering, imagined himself the reincarnation of Tiberius, and sought to

purchase Tiberius's old palace-site on Capri for that reason. Hitler dreamed himself the emperor of the Third Rome ("Third Reich"), who would exterminate the Christians as Tiberius, the first Anti-Christ, had crucified the Son of God.

Christ triumphed over the Anti-Christ. By aid of the manner of His death, He saved the souls of the nations of European civilization from enslavement by the satanic evil incarnate which was the Empire of Rome.

Through the internal depopulation and economic ruin of Italy under the sway of Roman law, and a Roman moral degeneracy akin to that spreading throughout Western civilization these past twenty-odd years, Rome in the West collapsed. So, the Second Rome, in the East, was established.

The heirs of the Anti-Christ, Tiberius, in the body of the evil Diocletian, moved east, and Constantine, Diocletian's heir, carried out the Diocletian socialist reforms, including the reform which legalized the Christian Church on condition that it accept pagan Constantine as the Pontifex Maximus.

Despite the formal victory of the Christians over Constantine's Gnostic Bishop Arius, at the Council of Nicaea, the Christians were persecuted in the Eastern Roman Empire in somewhat more subtle ways than earlier arena practices: the Greek Christians were denied the use of that Platonic Greek which was the language of their theology. Thus, during and following the time of St. Augustine, the center of Christianity shifted to the West.

As Charlemagne's reign established the strength of the Christian Church in the West, the role of Venice as Western agent of Byzantium's wars against the West became central. The capitulation by the weak Otho III saved Venice from well-deserved destruction, and its power grew greatly from that time onward.

Venice's leading role in the overthrow of the Paleologues, and Ottoman and Venetian joint subjugation of the Greeks, created the division between East and West which defines the Soviet strategic outlook for today. Those peoples Christianized from the West, including the Poles and the Christianized Ukrainians, became the domain of Western European civilization. The Slavic populations which had lived for a time under the rule of the Bulgar and Serbian empires, became, with the Muscovites, the subject peoples used as bastions of Eastern enmity against Western Christianity and civilization.

So, today, Moscow is the putative adversary of all civilization. This is not because they are Russians, but rather because a series of developments, spanning in total nearly a thousand years, developed Moscow as a future center of a flanking action to exterminate Western European civilization. Therefore, peace within Europe from the Atlantic to the Urals can be achieved, by evoking from among the people of Muscovy those qualities which reflect their human birth, rather than the savage deformation of their acquired culture, which was directed from such places as Mount Athos and Venice.



So, from the West, those who understood that Muscovite paradox, including master statesmen such as Leibniz, worked to draw Muscovy into Western European culture. The anti-Western fanatics, centered upon Muscovy, sought to encroach upon and destroy the West.

It was upon this division, which Venice, and the prophets of the "New Age" pivoted the global strategies they have built up over the course of approximately the past hundred years, since the 1878 Treaty of Berlin and the Russian secret police's assassination of the Westernizing czar, Alexander II.

It is notable, that Adolf Hitler was more Russian than German. In every crucial feature, Nazism was a German-language parody of the "Third Rome" variety of "New Age" dogma of Fyodor Dostoevsky. Even the "Third Reich" itself was adopted by the Nazis directly from the Moeller van den Bruck Berlin translation of Dostoevsky's writings into German. Alfred Rosenberg, the high priest of the Nazi cult, was a Balt associated with Russian imperial oligarchical families of the Czar's Interior Ministry, educated at Moscow under Soviet rule. The northern Nazis under Gregor Strasser, including Josef Goebbels, had entered the Nazi Party as "national bolshevists." Cultist Rudolf Hess had been an associate of the Communist International, who participated in the 1920 Baku conference of the Comintern.

Hitler and his inner circle of Nazis fancied themselves "Bogomils." These are a gnostic cult established as the official religion of Bulgaria, which had been notorious in Western Europe as the Bogomil cult of Languedoc, of Albigensian Crusade notoriety. It was a powerful influence on Venice's relevant noble families (as distinct from the strong Christian tradition within the Veneto region of Italy). The term "Bogomil" is the origin of the unpleasant word "bugger," and thus of the ethnic slurs heaped upon often innocent Bulgarians generally.

As Benito Mussolini referenced this, Fascism and Bolshevism are twins born of the same, Venetian Party mother. At the time Mussolini made that reference, he professed that the Fascist Romulus had triumphed over the Bolshevik Remus. Since Yalta and Potsdam, it appears that Remus has prevailed. No matter, the point is that they are twins, skunks of the same stripe and satanic aromas.

### **Satanism today**

The idea may be brushed aside as "mind-boggling" at first impression, but it is the most crucial fact of the present strategic situation globally, that that "captive-house" of imprisoned nationalities, which is the Soviet empire, is no more than a poor Golem. That Soviet empire is our principal adversary, in a very important, very practical sense of the term, no doubt; but it is neither an adversary *sui generis*, or in any other sense. It is an adversary for the historical reasons we have identified above. It is not the ultimate adversary; it is not its own "mother."



*Capri was the cynosure of satanism under the Roman Emperor Tiberius, who ordered the crucifixion of Christ. This Roman herm of a faun (goat-man) with a baby boy on his shoulder typifies the bestiality of Latin culture.*

The real, ultimate enemy, Satan's mother, has residence much closer to your home, perhaps the office of your favorite daily newspaper.

In other words, as long as we view Moscow as "the" adversary, rather than as the dumb cut-throat some other agency has deployed against us, we are merely playing a part on a stage, in a "living theater" scenario designed by someone offstage. Unless we grasp the significance of that point, and act on the basis of understanding what that point implies, we and Moscow, and Beijing, too, are foredoomed to destroy one another for the convenience of that agency which has written a "living theater" scenario in which all such contending forces on stage are merely actors.

The adversary within nearest reach of the actors on stage, is the collection of "stage managers" identifiable as the "Venetian Party." Those instruments of the present-day Venetian Party, analogous to the Marlborough faction of the early eighteenth century, are such "stage managers."

Yet, these wretches, of the likes of Lloyd Cutler, for example, may be the imps of Satan, but they are neither the person of Satan, nor do they control their own destiny much more efficiently than those of us playing the part of foolish Hamlets on stage. These imps, too, are controlled by the "living theater" scenario, and are just as likely to be destroyed by the very plots they imagine themselves to steer, as the foolish innocents on stage.

To find the real adversary, Satan and that great whore Ishtar-Isis, his mother, we must look deeply inside the human mind. There, we encounter the reality of warfare and true strategic planning; we discover so the reasons why the most terrible form of warfare is that recently enacted as Pol Pot's genocide against the majority of the population of Cambodia: "Peoples' War."

How do we locate, and defeat Satan?

Among the most crucial features of the fifteenth-century Renaissance, was the elaboration of the form of Christian humanism referenced to the model of the Socratic dialogue. This was crucial, because that Socratic method is the window which enables us to look into the depths of our minds, to discover what hidden assumptions may be ruling our thoughts and practice. By discovering and removing false, axiomatic sorts of assumptions, including those of which we are otherwise more or less unconscious, we are enabled to achieve a quality of "free will" otherwise nonexistent for mortal man.

Most men and women in today's Western European culture have no such "free will." The ability of the liberal news-media to brainwash the majority of U.S. citizens so much that our present society is akin to Orwell's *1984* on this account, reflects that general loss of free will.

It is said of most poor, foolish Americans today, including those White House circles obsessed with the latest "opinion polls," that we have become, in the words of sociologist Riesman, an "other-directed people." We do not think for ourselves; we seek to be overheard saying nothing but those

varieties of approved opinions we carry out of the classroom, the reading of the newspaper headlines, the evening's TV entertainment, or picked up as vulgar gossip.

Such an "other-directed" state makes your mind, and that of your neighbors, Satan's playground. There, in that corruption of your own mind, you will discover the Satan in person at work, and his great whore-mother, too.

All effective strategy, and strategic analysis, is based principally upon examination of these considerations.

The principal actors upon the world's stage today, we,

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*To find the real adversary, Satan and that great whore Ishtar-Isis, his mother, we must look deeply inside the human mind. There, we encounter the reality of warfare and true strategic planning; we discover so the reasons why the most terrible form of warfare is that recently enacted as Pol Pot's genocide against the majority of the population of Cambodia: "Peoples' War."*

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like the Muscovites, and even those imps of Satan who constitute the leading representatives of the Venetian Party incarnate, are no better than the victims of that which controls their wills. Hence, on this account, all real-life history is mirrored by great classical tragedy on stage.

That which controls our wills, is the set of chiefly hidden, axiomatic qualities of underlying assumptions which govern our sense of self-interest, and which serve as self-evident truths, even when we are unconscious of them, in guiding us to choose one belief, or choice of practice, over others which would have been available to a person actually possessed of free will.

Thus, those who have not mastered the Socratic dialogue's practice, deceive themselves each time they utter such words as "I know," or "I believe." The belief is not their own, but is rather a kind of belief which possesses its believer as a cat plays with a captured mouse. Since that belief is generated by the axiomatics of which the believer is more or less unconscious, whoever controls those axiomatics, possesses the will of the believer. The believer can be commanded by the Satan or any other agency which has implanted the relevant axiomatic assumptions in one's unconscious beliefs.

In general, in the English-speaking world, Satan's work is typically represented by the dogmas of "human understanding" associated with David Hume and his disciple Adam Smith. Notable, is Smith's dogma of hedonistic irrationalism, as that is summarized in a passage from his 1759 *Theory of the Moral Sentiments*, the same dogma of satanic, hedonistic irrationalism employed to define that dogma of the "Invisible Hand" against which the U.S. War of Independence was fought.

Since this exemplifies the way in which Satan commonly reaches deep into the mind of the unwitting American today, the oft-cited excerpts of that passage from the *Theory of the Moral Sentiments* is worth displaying again here:

The administration of the great system of the universe . . . the care of the universal happiness of all rational and sensible beings, is the business of God and not of man. To man is allotted a much humbler department, but one much more suitable to the weakness of his powers, and to the narrowness of his comprehension: the care of his own happiness, of that of his family, his friends, his country, . . . But though we are . . . endowed with a very strong desire of those ends, it has been entrusted to the slow and uncertain determinations of our reason to find out the proper means of bringing them about.

The passage concludes with the section most directly relevant to the axiomatic hedonistic irrationalism of Smith and his admirers:

Nature has directed us to the greater part of these by original and immediate instincts. Hunger, thirst, the passion which unites the two sexes, the love of pleasure, and the dread of pain, *prompt us to apply those means for their own sakes, and without a consideration of their tendency to those beneficent ends which the great Director of nature intended to produce by them.* [Emphasis added.]

This dogma was asserted by David Hume, during the work he did under the influence of a "nervous breakdown" which caused his family to dispatch him, out of sight of friends and neighbors in Scotland, to France. Hume's irrationalist rantings were popularized in Britain, and Hume promoted to a high position in the British Secret Intelligence Service (SIS), because that was the period when Horace Walpole's Hell-Fire liberalism was in full tilt, the forerunner of Jeremy Bentham's bolder satanism later. This hedonistic irrationalism of Hume and his disciple Smith was promoted not only because it implied the license of radical empiricism for the sodomy and witchcraft practices amok in the Hell-Fire Clubs, but because this dogma was found a most efficient guide to corrupting the morals of large populations.

If society suppresses the kind of Christian humanism

typified by Cardinal Nicolaus of Cusa's, and Leibniz's use of the method of the Socratic dialogue, the general population, and most of the leaders of society are bereft of the means for acquiring free will. It is only to the degree that we discover, and correct those otherwise unconscious assumptions, or self-evident beliefs which control our opinions and behavior, that we are any better than slaves to whatever assumptions we have been conditioned to accept as self-evident.

The relationship of Socratic method to classical tragedy is notable here. Before Plato's time, the classical tragedies of Aescyphlos had crucial features of Socratic method. After Plato, all great classical tragedy was based on the principles of Socratic dialogue. As the following description is given, let our minds' images flash back and forth, from a view of the classical tragedy on stage, to comparable real-life situations, including that strategic tragedy now menacing our planet as a whole.

In the classical tragedy, the embedded habits of the principal strata of society have brought that society to the brink of some terrible crisis, as the toleration of twenty-odd years of "post-industrial" utopianism and the radical counterculture has brought North America and Western Europe to the brink of collapse and (Soviet) barbarian overlordship today.

In response to the onrush of catastrophe, most of the actors on stage are either deluding themselves than no such calamity threatens them, or, perceiving the threat, react to the danger with the same habits of belief and behavior which already brought the society to the brink of ruin. All settles upon a central tragic figure, a hero or set of heroes, in whose hands lies the possibility of changing the behavior of the society around them.

It is a necessary feature of classical tragedy on stage, that the hero fail, and, as in the concluding scene of Hamlet, that the society suffer the calamities inherent in the hero's failure. Whether the tragedy is a successful composition, and successfully performed, depends upon the success of the playwright and actors' company, in making clear to the audience that this calamity was unnecessary.

This is accomplished by writing the drama according to the principles of Socratic dialogue. The play must draw out for the audience the fact that the behavior of the actors on stage is governed by certain underlying, axiomatic habits of belief and behavior of which the characters on stage are more or less unconscious. The audience is permitted to peek into the depths of the characters' minds on this account. It is shown that those axiomatic features of belief and behavior are the force carrying the society toward an early ruinous end.

The hero is treated similarly, but something crucial is added. At a point in the drama, the leading character is confronted with the essential truth of the tragedy. That central character is confronted with the truth about the axiomatic

nature of the ruin written into the habituated assumptions of belief and behavior of the society about him. In the same way, the character is confronted with the same kind of flaw in himself, and is also confronted with a clear articulation of his opportunity to correct that feature of his belief and behavior. It is the leading character's failure to act upon that latter evidence, which dooms the society about him to ruin.

Two examples of this are sufficient. The crux of *Hamlet* is presented in the closing soliloquy of Act II, and famous soliloquy of Act III. The crux of Schiller's *Don Carlos* is, of course, the famous scene of the private exchange between Posa and the King.

In the first of the referenced *Hamlet* soliloquies, Shakespeare underlines the conformal relationship between classical tragedy and real history, in terms of "the play within the play":



Shiva: the radical back-to-nature cult behind the Cambodian genocide. In this thirteenth-century stone carving, Shiva-Satan holds two cobras above his head as he dances. Around his neck two further snakes are twined, and he wears a garland of skulls.

O, what a rogue and peasant slave am I!  
Is it not monstrous that this player here,  
But in a fiction, . . . What would he  
Had he the motive and the cue for passion  
That I have?

and, in the famous soliloquy:

. . . that dread of something after death,—  
The undiscovered country, from whose borne  
No traveler returns,—puzzles the will,  
And makes us rather bear those ills we have  
Than fly to others that we know not of?

In his dialogue with the King, Posa is encouraged to present his historical view of the tragedy in which they are both ensnared. The king draws him out, to the effect of forming a conspiracy between them. Then, by failing to control Don Carlos accordingly, as he might have done immediately thereafter, Don Carlos's habituated obsessions, unchecked so, undo the conspiracy between Posa and the King. The tragedy which might have been averted, ensues fatefully.

The special power of that referenced dialogue from *Don Carlos*, rendering it one of the most powerful scenes ever set upon the stage, is supplied chiefly by the fact that it is Socratic dialogue at its best, addressing directly that level on which the most fundamental assumptions of individual life and statecraft are situated. The enormous superiority over Shakespeare's *Hamlet* on this account, is that Schiller makes conscious that upon which Shakespeare merely touches externally.

If, in classical tragedy, or in comparable aspects of real history, we can probe so directly to the most fundamental of the axiomatic issues pertaining to the threatened ruin of the society, we grasp thus an awesome power to change the course of events, and avert the doom. There lies the secret of the true hero—such as Schiller's and the real-life Jeanne d'Arc—on the classical stage, and in real history. In such concentrated events, the power of Socratic knowledge and the power to reshape history for the better, are conjoined, such that if we but grasp the connection, and use that connection to exploit properly the accidents placed in the hero's hand, entire nations, even entire civilizations can be rescued from the brink of apocalypse.

The highest expression of this in our literature, is from the New Testament account of Christ in Gethsemane: to let the cup of Providence pass to our lips, in imitation of Christ, is the highest quality which defines the true hero of real-life tragedies overcome.

We might thus all become heroes in the tragedy before us, at least in principle. In each case, some important good would come of this. The hero of classical tragedy, and the comparable case in real life, is the hero situated as are Hamlet

or Posa, whom circumstances have put in reach of those "handles" on events by which the course of events might be controlled in the large, as it is the driver of the bus, alone, whose heroism can save the passengers.

On this account, the desperate character of current events is not so much that the prospects menacing civilization today are so ruinous, but rather that none of the bus-drivers are heroes. The crisis of this age, is that we have succeeded in ensuring that no leading political party, no government, is under the leadership of persons with those qualities which are indispensable for averting ruin in the real-life tragedy which now grips this planet as a whole. The same is true of the relatively more potent institutions apart from those of large political parties and governments. Thus, on such account, our nations are like ships of fools headed toward a common shipwreck.

We were set upon the course toward ruin long ago, but most emphatically in our toleration of foolish policies of "arms control," "post-industrial" utopianism, and the radical counterculture, during the recent twenty-odd years. Under these conditions, the moral and intellectual qualities of the populations generally, and leading religious and other private institutions as well as political ones, have been eroded considerably. The population and leading institutions have fled from a rational comprehension of an historical process, into those flights of fancy which are centered upon very narrow, more or less hedonistic interests, centered about Adam Smith's irrationalist pursuit of pleasure, and avoidance of pain.

So, brought to the rim of the greatest catastrophe in the modern history of this planet, and brought so by the habits we have acquired during the preceding decades, we march toward the nearing brink, governed by those acquired habits.

Such is the work of Satan, and his Great Mother Shakti-Ishtar-Isis, the Whore of Babylon.

Respecting that Venetian Party which esteems itself the modern gods of Olympos, once the members of that party chose to deem themselves the virtual gods of Olympos respecting the affairs of nations and individuals of this planet, they doomed themselves to their *Götterdämmerung*, not by choosing that end, but rather by choosing the collective and individual character which foredoomed them to such a fate. To the degree we submit to their rule of society, we doom ourselves to share their fate.

Thus, they are gripped by a force which it is beyond their free will to control. To the extent we others are habituated to let those would-be gods of Olympos act as the playwrights and stage-managers of our living drama, and persist in those habituated assumptions of belief and behavior congruent with such submission, we, too, are without true free will, caught, like mere marionettes, in the grip of forces beyond our power to control.

Satan and his mother are the puppet-masters of this stage. Should we awaken, and look up, by aid of the methods of

Socratic dialogue, we shall see those two malefactors clearly enough to do what we must do. We shall then pull upon those very strings by means of which they would control our will, and so bring them down.

### 'Peoples war'

From the beginning of its existence, the principal goals of Soviet Moscow have been the conquest of Germany and the destruction of the United States by aid of acquiring Germany's productive potential. This included the intention to develop military means for destroying us, and that has never changed. However, even long before the first Soviet Roman legions were essayed against us, Moscow was at war with us, a war begun long ago, which has never ceased.

Beijing's Lin Piao called it "Peoples War," as we saw this in the vast genocide against the people of Cambodia. Lin Piao discovered nothing; Peoples War was the policy adopted by the Kuomintang, for resistance against the Japanese invasion, during the 1930s. In Europe and the Americas we call it, today, "Irregular Warfare," as the text of Brig. Gen. Prof. August von der Heydte has clarified the definition.

There is a flaw in Clausewitz's famous text. The point is summed up by our insisting that regular warfare is cultural warfare supplemented by regular military means.

Such is the ongoing war conducted against the United States, its friends and allies, by Moscow today.

Let us review the most relevant sets of facts.

Excepting allied actions in defense of elements of the former Czarist Empire which the Bolsheviks were in the process of subjugating during the period immediately following the October 1917 insurrections in Petrograd and Moscow, there has never been a shooting war which involved directly opposing regular military forces of the United States and U.S.S.R. Many who do not understand the nature of warfare, believe wrongly that the absence of shooting war between regular forces means that a state of "peace" exists between the relevant nations.

Throughout the past 70 years, the shooting wars fought between the Soviet Union and the U.S.A. have been wars involving Soviet military and terrorist surrogates. Such surrogate warfare does not represent a state of peace.

Soviet-directed surrogates have assassinated many figures who were nationals of the United States, allied states, or friendly nations. This activity has been escalating since the period Washington and Moscow negotiated recent INF and other "détente" agreements. That is not a state of peace.

In the absence of warfare between the regular military forces of the two powers, there has been a presently escalating state of warfare between the two powers, with the initiative—the "aggression," if you please—chiefly on the side of Moscow. This state of warfare is the conduct of global "Peoples War," a form of warfare ultimately more terrible than a full-scale nuclear conflict, and implicitly just as mass-murderous, as the case of the genocide in Cambodia attests.

There is no peace, nor any likelihood that “peace is about to break out” in the relations between our states. The war is not only ongoing, but is being escalated. There can be no peace, even were we to surrender to Moscow; they will not rest until all that our nation has represented is eradicated from the memory of this planet, “root and branch.”

There can be no peace unless we awaken to the nature of our planetary tragedy, and pursue that course which, by freeing us from that tragedy, creates the preconditions for future, durable peace.

Look more closely at the nature of Peoples War. Start with the case of the grisly genocide perpetrated by Pol Pot’s Khmer Rouge.

Pol Pot’s Khmer Rouge marched perhaps more than 1 million defenseless Cambodians out of the capital of Phnom Penh, and murdered them as part of a scheme to eliminate literate Cambodians. Later, many of those who participated in that genocidal act were murdered in a similar way themselves. Intellectuals sympathetic to socialism, or whatnot, were invited to return to Cambodia, to help rebuild the nation; as they left the planes, they were seized, and murdered, too. Mass graves filled up around the nation, until the point was reached that the majority of the population of that nation had been exterminated.

The worst part is the manner most of this was done. It was done with clubs, shovels, and rocks. In the last phase, much of the mass-murder was done by packs of children in early adolescent years. It was all done under the doctrine of Lin Piao, and as an extension of the methods of “cultural revolution” to that sleepy land of Kampuchea.

That is the grisly face of Peoples War in its near-to-final phases. Brother or sister butchers brother or sister, even with so primitive a weapon as a rock, and this occurs on a mass scale. This is Peoples War in its next-to-final phase of escalation. This is *cultural warfare* in extremity.

This is the form of warfare demanded by the forerunner of Hitler and Bolshevism, Friedrich Nietzsche. That characterization of Nietzsche is no exaggeration.

What happened in Cambodia is not new in history. Our first record of such forms of warfare in European history are the practices of the Phrygian cult of Dionysos. Dionysos is one of the dialectal names for Shiva-Satan. Whereas Aleister Crowley’s anthroposophs chose the name “Lucifer” as their preferred designation of Satan, Nietzsche, calling himself the prophet of the Anti-Christ, preferred Dionysos.

Dionysos is known also as the forerunner of the modern rock-drug-sex counterculture. The cult of Cybele, who is to Dionysos as the Harrapan Shakti (Ishtar) was to Shiva, was a radical “back to nature” cult, which adopted urban civilization as the enemy it proposed to obliterate. Its tactic was to recruit children from the families of the cities into psychedelic cults centered around erotic dancing, drugs, and sexual orgies, and to develop these recruits as terrorist assassins, to return to the cities to butcher their parents and siblings.

We must not overlook the most essential feature of that cult of Dionysos. The transformation of a child into a terrorist parricide occurs through methods of diabolical forms of *cultural warfare*. As Nietzsche emphasized, the child is transformed into an instrument of Dionysos through a transformation of values, those axiomatic sorts of underlying assumptions which determine the individual’s choices of belief and social behavior.

This sort of thing occurs in all those cases an ordinary person, drawn to a socialist organization by some real or imagined issue of injustice, is gradually transformed in a deeper way, such that even if he or she breaks that association after a few years, the Communist stereotype remains a deeply embedded feature of his or her axiomatic system of underlying values throughout the remainder of life—in typical cases.

We see this in old Trotskyists and Lovestonites, even among those who broke with Stalin and Stalinism by 1938 or earlier. Even those who embedded themselves, as purportedly devout anti-communists into the U.S. intelligence services, during and after the last war, radiate that special sort of personal evil in their underlying value-systems which is easily recognized as the Bolshevik stereotype by one sensitive to such distinctions.

The point is of such relevance that it deserves restatement. Individuals may be drawn to relevant communistic and social-democratic organizations by motives of hostility to perceived injustice. For a time, they may remain representatives of the normal moral system of values which prompted them to enter such an association. Only gradually, do most of them become the typical communist hack—there is no difference of any importance between American communists and social-democrats on this account.

This mental-spiritual quality characteristic of the communist hack is not simply the acquired habit of devotion to the current “party line.” The change goes much deeper than that; there develops a kind of dionysiac hatred of the type which the degenerate Hannah Arendt attacked as “the authoritarian personality.” This is, as in Arendt’s case, a hatred of the fundamental moral values of Western European civilization. That hatred, and the impulse to destroy accompanying it, is the deeper system of transformed values which defines the mental type of the communist hack.

They do not love truth, beauty, or mankind. They hate the society which produced them, and seek to undermine and destroy it. They hate everything which the 1439 Council of Florence affirmed.

At this point, we run into what might seem a practical problem. Although Moscow, since 1962, has adopted Mao Zedong’s tactic of drug-war against the youth of the United States and Western Europe, most of the dionysiac brainwashing done to Soviet advantage was not perpetrated by the Soviets themselves, but by the collaboration between the circles of two of the most evil men of the twentieth century, Bertrand Russell and Satan-worshipper Aleister Crowley.

True, the successful phase of Soviet cultural warfare of Western civilization began with the 1955 London negotiations between Bertrand Russell and Khrushchov's Moscow regime, but Russell did not act as a Soviet agent as such. Russell acted, as did Crowley, and the Crowley-Russell crew inside MK-Ultra, as agents of the cultural-warfare sections of the Venetian Party.

The paradox is only superficial. In the relationship between Moscow, on the one side, and Russell-Crowley, on the other, it is the Russell-Crowley side which has the more direct ties to Satan. Bolshevik Moscow is the Golem, and the Venetian Party circles represented by the London Occult Bureau and Russell-Crowley, agents of the relevant "rabbi of Prague." Russell was not a Soviet agent; personally, he despised the Bolsheviks. Russell represented those in the West who, despising the Bolsheviks, wished Moscow to win.

Russell's motives were purely satanic ones.

Hence, although it is necessary to look the Soviet adversary relationship straight in the eye, that is no reason to forget that Moscow is merely a Golem, and that the Magicians who created the Bolshevik Golem, and continue to deploy it, are much closer to home.

Perhaps Moscow would destroy the Magicians of the Western Venetian Party, too. There is a famous story of Tiberius and one of the Magi which bears upon this.

It was the custom of Tiberius to take a guest or an adviser out for a walk along the cliffside pathway, and in the course of that stroll to push them over the brink to their death. One of the Magi priests who attended him was invited for such a stroll. Near the cliffside, Tiberius proposed that the Magus prophesy the emperor's future.

Greatly and sincerely agitated, the Magus apologized, "I can not, sire, for at this moment I am overwhelmed by the foreboding that my own life is in very grave danger!"

Tiberius promoted him. Yet, the lesson stands. Even the creators of a Golem stand always in danger of being destroyed by the monster they have unleashed. Were this to be the fate of the modern Magicians of Russell's ilk, at the hands of the Moscow Golem, that would be only just. Unfortunately, under the relevant state of affairs, our children and grandchildren would be in no position to enjoy that bit of justice.

From the opposite side, our own, the essential form of warfare is also *cultural warfare*. The difference is, that our adversary wages cultural warfare according to his values, and we ought to flank and envelope in these dimensions in the manner consistent with our values.

*Cultural warfare* is a battle for the mind, addressing the mind on the deepest level, the level of those axiomatic assumptions which determine the individual's, and nation's choices of belief and behavior.

Since our adversary is gripped by brutish values, his methods of cultural warfare converge upon bestiality. We, on our side, must promote those practices and values which are consistent with the Christian humanist spirit of the

Golden Renaissance.

When other means of *cultural warfare* are insufficient, the affair turns toward supplemental methods of regular warfare. Yet, if our means are strong enough to deter the adversary from the terrible risks of regular warfare, we must hope to win *cultural warfare* not by regular warfare, but by our proficiency in the combined cultural, economic, and political means we employ in place of regular war.

This puts those such as the Russell-Crowley circle rightly in the foremost rank of our deadly adversaries. If we eradicate the evil they represent, securing peace with the grandchildren of today's Russians is more likely. If we do not deal with the cultural adversary at home, we shall surely all be destroyed—the Soviet empire soon enough, too—by this planet's early plunge toward the depths of a global New Dark Age.

### Venice and the rabbi of Prague

The Jewish fairy-tale does not say this, but it is the truth of that story nonetheless. The rabbi of Prague made that Golem because he was in the grip of evil, otherwise he would have never wished to make such a creature. More specifically, he was in the grip of Venice's evil.

We refer to two events involving a famous Jewish family of Venice, Luzzato. The first event occurred during the thirteenth century, when the Luzzato family propagated the satanic dogma of cabbalistic occultism as its version of Jewish belief. Thus, the Bogomil gnostics undertook to perpetrate upon Judaism the same quality of crimes they wreaked upon Christianity. The second event was the same Luzzato family's nineteenth-century attack upon Moses Mendelssohn, the great philosopher who epitomized the highest quality of achievements of the Western European Ashkenazi Jew.

Such crimes against not only Moses, but God Himself were not original to thirteenth-century Venice. It began in Moses' time, with the worship of Satan represented as the Golden Calf. The adoption of the satanic cults of the Canaanites ("Phoenicians") led to the destruction of Israel. The influence of Shakti-Ishtar became systemized by those scribes of the Babylonian captivity, who corrupted the Hebrew writings to bring them into conformity with the mythologies of the Chaldean priests of the Whore of Babylon, Ishtar.

Matters bearing upon the hope of After-Life are subjects of faith, and hence not intelligible to mortal man. Everything else is implicitly intelligible for us; there is no magic in this universe. In the affairs of mortal man, there is no Invisible Hand. We each, as individual, or nation, are accountable to the Creator for those consequences of our policies and isolated important actions, as such consequences ought to have been intelligible to us.

Satan is a Magician, and all belief in magic's efficacy to our individual mortal advantage is purely satanism. Those, like that rabbi of Prague, who practice astrology, cabbalism, and kindred forms of magic, are destroyed by it, if they do not remedy that error in time.

## Narco-Communists face major defeat in Colombia

by Valerie Rush

Efforts by Colombia's narco-Communist forces to create maximum disruption, terror, and sabotage during a 24-hour general strike planned for Oct. 27 were unexpectedly smashed by the government of Virgilio Barco. A series of uncharacteristically harsh measures was decreed on the eve of the strike, evidently with the full support of the Armed Forces, which succeeded in breaking the back of the strike and preventing, at least for now, a major advance in the subversives' drive for power.

The narco-Communists have been very clear as to their agenda for taking power, and the role of the national strike within that. A joint military command structure was announced by the chiefs of all five terrorist organizations in the period leading toward the Oct. 27 strike, and a timetable for seizing power set. But for every armed terrorist Moscow can field in Colombia, 100 supporters are required to provide the infrastructure of power. By mounting a national strike of explicitly terrorist coloration, the guerrillas hoped to project an aura of power through control of the labor movement. The strike's defeat, described as "total" by the government, is thus a dramatic setback to the narco-Communists' plans.

Among the measures decreed by the government were the threatened suspension of the legal status of any trade union participating in the strike; the jailing for periods of 30-180 days of any striker caught in the act; the prohibition of any media coverage of violence or public disorder during the period of the strike, except for official bulletins; the provision of short-term government insurance coverage against damage for public transportation vehicles, and suspension of operating license for any transport companies which failed to operate their vehicles on the day of the strike. Governors and mayors were instructed not to authorize any strikes or demonstrations in zones under their control.

In announcing the measures in a nationwide address the night of Oct. 26, Government Minister César Gaviria Trujil-

lo, acting as chief-of-state in President Barco's absence, said that the emergency decree was necessitated by the bad faith in which the labor unions had negotiated. An irreversible order to proceed with the strike—which was publicly endorsed by every guerrilla organization in the country—had been issued in the midst of ongoing talks with the government, explained Gaviria.

On the day of the strike, Defense Minister Gen. Rafael Samudio Molina announced numerous raids against union headquarters involved in promoting the strike, and against the main offices of the Colombian Communist Party. Twenty-three leading strike organizers were arrested under the decreed emergency ordinances. Troops had been deployed to protect port, air, train, and truck terminals across the country, and to patrol the streets of all major cities. The Army also guarded food warehouses, bridges, diplomatic offices, the Congress, and other strategic locations.

With all the security, terrorists still managed to bomb two power transformers in the industrial zone of Yumbo, in Valle de Cauca department, leaving more than 100,000 without electricity for the next month; blow up a power pylon, which left the Caribbean resort city of Cartagena without electricity and water; bomb an electricity tower in the southern city of Pasto, leaving half the department of Nariño without power; and attack army installations in the town of Turbo, in the troubled, banana-growing Uraba region.

Despite the violence, the country was reported functioning at 95% capacity, with transportation freely functioning and most banks, offices, and commercial establishments open. Said Minister Gaviria, "I can report tranquility throughout the national territory."

Just days earlier, observers were expressing fear that a "Tet Offensive" would be attempted under cover of the strike. Numerous weapons caches and plans for selective sabotage, ambush, and assassination had been uncovered by the mili-



tary in cities across the country, and mass leafletting by guerrillas of peasant and worker layers warning them to join the strike or be killed was spreading an environment of terror. At least seven busloads of workers on their way to work were reported seized by guerrillas in various parts of the country, and the passengers threatened with death if they did not join the strike. In some cases, photographs of the workers were taken to heighten the terror.

Other irregular warfare forces were drawn out on the eve of the strike as well. A self-styled "Ecumenical Gathering of Christians for Life" met in Bogota, pulling together 1,500 terrorists, gnostics, and theology of liberation advocates to pledge their support for the strike "against the dirty war." The gathering, sponsored by the legal front of the National Liberation Army (ELN) guerrillas, included representatives of the Colombian Communist Party, the World Council of Churches, the Pentecostal Church of Venezuela, numerous "grass-root Christian" communities, and others. The motley group declared its plan to create committees of popular resistance on the regional and local levels, promoting "civic strikes" to complement the Oct. 27 general strike, creating popular defense organizations, etc.

An escalation of violence took place in the weeks prior to the strike, including such concerted efforts to terrorize the population as strafing of buses with machine-gun fire, dynamiting of heavily trafficked bridges, etc. Just one day before the strike, a mixed group of military and civilians was ambushed in the department of Antioquia by the Maoist EPL terrorists. Eighteen people were killed, including a one-year-old child. Bombs were set off at commercial establishments and bridges in the cities of Medellin, Urabá, and buses burned in Tunja and Popayán.

### **The spark of resistance**

Leaflets widely circulated by the small Andean Labor Party (PLAN) in Colombia, calling on democratic forces within the trade unions and political parties to stand firm against the terrorists and warning of the deadly consequences for Colombia and the entire Andean region, of a successful strike under narco-terrorist auspices provided a moralizing influence for the otherwise terrorized population. The leaflet, which also detailed the blackmail that has been employed by narco-terrorist elements infiltrated within the labor movement against democratic trade union forces, was enthusiastically welcomed at factories everywhere, with many workers urging PLAN organizers to stand firm and "not be intimidated."

Ever since the drug mafia's assassination of Attorney General Carlos Mauro Hoyos earlier this year, and the narco-terrorist kidnaping of former presidential candidate Alvaro Gómez Hurtado later, Colombian authorities have increasingly capitulated to the terrorist blackmail. Political leaders everywhere could only talk about "dialogue" with the narco-terrorists. The PLAN leaflet challenged people to take a stand,

and sparked hope.

The first signs of a popular resistance movement against the destabilization of Colombia began to emerge the week of the strike, as thousands mobilized in the violence-torn Magdalena Medio region of the country in defense of those popular leaders who have dared to stand up to the Communists.

On Oct. 18, three hired assassins gunned down a provincial congressman from Cundinamarca department as he was leaving the offices of the Attorney General in the capital city of Bogota. That congressman, Carlos Meléndez Boada, was the former military commander of an effective counter-insurgency unit in the terrorist-riddled border province of Arauca, and had also served as a military mayor in the unstable Yacopi region.

Meléndez had been accused by the Communist Party newspaper *Voz* and by several guerrilla organizations, of having masterminded the creation of paramilitary death squads in the Magdalena Medio, but his family charges that the Communist Party fingered him for assassination because of his staunch anti-communism and for his successful counter-insurgency operations.

Thousands of Colombians have been murdered in political warfare this year, but the Meléndez murder and a judge's arrest warrant—based on Communist Party accusations—against popular Puerto Boyaca Mayor Luis Rubio—apparently proved the last straw. On Oct. 24, the peasants' association and cattlemen's committee of Magdalena Medio halted all activity in the region, and some 10,000 blocked the La Dorada bridge which crosses the Magdalena River into the interior of the country. The local Chambers of Commerce ordered a protest shutdown of business and public establishments.

A 15-mayor committee from Magdalena Medio travelled to Bogota to meet with the Interior Ministry following Meléndez's death, and demanded protection for themselves and especially for Mayor Rubio, who has been denied security despite repeated death threats against him. The mayors charged that the indictment against Rubio, for alleged death-squad activity, is nothing but a trick to get him in jail where he can be murdered.

The narco-Communists cannot be expected to pack up and go away in the face of this setback. Increased terrorism, including assassinations, can be expected. It is no accident that on the day before the strike, the Communist Party's weekly, *Voz*, carried an article entitled "The CIA with an Old Disguise," which attacks the PLAN for its effective leaflet against the strike mobilization. After denouncing the Andean Labor Party as a front for the CIA and for the U. S. Embassy in Colombia, the article calls PLAN secretary general Maximiliano Londoño a police agent, the standard method used for fingering someone for assassination. The PLAN has responded with a statement holding Colombian Communist Party chief Gilberto Vieira personally responsible for any harm that might come to Londoño.

# Israel's fate: 'Mene mene tekkel upharsin'

by Scott Thompson

On Oct. 21, Egyptian President Hosni Mubarak took the unprecedented step of publicly warning in an interview with *Al Ahrām* that there was a danger of a new Middle East war starting out of Lebanon. President Mubarak then called for an emergency Arab summit to deal with the Lebanese crisis. Since the Egyptian President issued his warning, numerous *EIR* confidential sources have echoed it, presenting an analysis that the Middle East is on a hair-trigger for a controlled conflict between Syria and Israel over Lebanon, that is most likely to occur before the elections for a new government in Israel and the United States in early November.

Should the present Israeli government of Prime Minister Yitzhak Shamir be suicidal enough to escalate its present retaliatory raids into Lebanon into a full-fledged confrontation with Syria, then Israel will have sealed its doom. Not only has the military balance increasingly shifted against Israelis in the Middle East, but a growing percentage of the Israelis would revolt over a renewed adventure in Lebanon. Nonetheless, Israel's foremost competitor for the title of "best Hitler imitation," Gen. Ariel Sharon, has been reported by U.S. intelligence sources to have employed his recent trip to the East bloc to pre-negotiate with the Soviets the rules of engagement for just such a controlled conflict with Syria.

On Oct. 25, the Pentagon announced that Defense Secretary Frank Carlucci will tour the Middle East, visiting Jordan from Oct. 29-30, Egypt from Oct. 31 to Nov. 2, and finally Israel from Nov. 2 to 4 for a visit that will fall a day after the Israeli election, which incumbent Prime Minister Shamir is favored to win as of this writing. Is Secretary Carlucci's trip intended to defuse an Israeli-Syrian conflict over Lebanon, which the Egyptian President has publicly warned of? So far, the only word from the Pentagon is that the secretary will discuss prospects for peace in the region.

It is also notable that the heads of state of the two Arab countries that Secretary Carlucci will visit have openly endorsed the candidacy of Israeli Foreign Minister Shimon Peres over that of Shamir. After negotiations with Peres's adviser Nimrod Novik, Jordan's King Hussein went so far as to warn in a broadcast on ABC-TV, that the election of

Shamir would be a "disaster." Likewise, Egyptian President Mubarak took advantage of an Oct. 25 visit by French President François Mitterrand to again warn of the danger of a conflict over Lebanon. Mubarak condemned the intervention of countries like Syria and Israel in Lebanon, warning that there can be no Lebanese solution without their withdrawal. "Hands off Lebanon," Mubarak said. "Whether Syrian or other foreign forces, they can only complicate matters."

Finally, the Egyptian President stated that it was too late to revive the Arab-Israeli talks on Palestinian autonomy under the 1978 Camp David accords. "Who can revive it? Only God can revive it," he said. President Mubarak placed the blame for stalled peace negotiations squarely upon Prime Minister Shamir, stating, "He has already refused, even frozen, Camp David. . . . Shamir has changed the spirit of Camp David."

## Palestinian state

One of the few bright spots in an increasingly dismal Middle East picture was an Oct. 24 statement by Abu Sharif, a spokesman for the Palestine Liberation Organization (PLO), that the Palestine National Council meeting on Nov. 15 in Algiers, Algeria, will declare the existence of an independent Palestinian state. Opposition to a Palestinian government-in-exile not only emanated from Israel, but the Soviet Union had issued strong warnings to the PLO that such a step would only obscure the Soviets' demand for an international conference in which they expect to have a major role. Likewise, European heads of state refused to say whether they would recognize such a government-in-exile, when PLO chairman Yasser Arafat raised the issue with them during a tour of Western Europe last September.

Of all these influences, that of the Soviets appeared to have the strongest impact upon derailing the plan. U.S. intelligence sources report that the Soviets, in their quest for increased hegemony within the Middle East, have agreed to Sharon's proposal for a controlled Syrian-Israeli conflict over Lebanon, because this would permit the Soviets to step in as mediators. Now, despite this "New Yalta" pressure upon the PLO, at least one ranking spokesman has confirmed that the PLO plans to go ahead with its initial program.

Israeli Prime Minister Shamir has warned that he will meet such a development with an "iron fist," which includes the possibility of further assassinations of moderate Palestinian leaders. Already, Israel has employed the Oct. 19 bombing by the Iranian fundamentalist-linked Hezbollah terrorists that killed seven Israeli soldiers in Lebanon, as the excuse to carry out widespread bombing of PLO camps in Lebanon, even though they had nothing to do with the bombing. Should Shamir escalate to the brink of conflict with Syria, then it is feared that he will use this as an excuse for a tough crackdown in the occupied territories on the basis that they are part of the war zone. Already, the Israelis have killed 311 Palestinians in a vain attempt to crush the uprising.

# Queen may oppose Thatcher on 1992

by Mark Burdman

Will Queen Elizabeth II politically challenge British Prime Minister Margaret Thatcher, by backing the creation of a supranational "United States of Europe" by 1992, an idea Mrs. Thatcher abhors?

Such a development could lead to a new round of "Palacegate," the scandal that began in the summer of 1986, when Buckingham Palace leaked to the British press its displeasure over the policies of the prime minister. The monarchy is constitutionally prohibited from interfering in British politics, according to political arrangements established in the United Kingdom in the late 17th and early 18th centuries.

On Oct. 14, Mrs. Thatcher had given the fourth in her recent series of sharp rebuffs to the idea of a Europe run by a supranational bureaucracy in Brussels and Strasbourg, which she has called "airy-fairy," "nonsense," and "a nightmare." On the last day of the annual Conservative Party conference in Brighton, Thatcher attacked "those who see European unity as a vehicle for spreading socialism," an unmistakable reference to the Brussels-based European Community president Jacques Delors and his coterie. "We haven't worked all these years to free Britain from the paralysis of socialism only to see it creep in through the back door of bureaucracy from Brussels," she said. Mrs. Thatcher added that her own policy for Europe was "willing and active cooperation between independent sovereign states."

The counterattack began the same weekend. The Oct. 16 *Mail on Sunday* reported that Lord Henry Plumb, the president of the European Parliament in Strasbourg, would invite the Queen to address European Members of Parliament early next year. According to the paper, ex-Prime Minister Edward Heath responded to the report of the Plumb invitation by saying, "I'm sure the European Parliament would much rather listen to the Queen than to Mrs. Thatcher."

Heath was nursing some wounds. In Brighton, he had been labeled "Judas Heath" by British Conservatives who are loyal to Mrs. Thatcher's neo-Gaullist position on "Europe 1992." Heath is a longstanding ally of the supranationalist plotters in Brussels and Strasbourg.

On Oct. 17, the Queen and Prince Philip began the first-ever visit by a reigning British monarch to Spain. The royal yacht *Britannia* anchored in Barcelona, and hosted a conference entitled, "Opportunities for Spain and the United Kingdom in 1992." Participants included Bank of England head Robin Leigh-Pemberton and Bank of Spain head Mario Rubio; Barclays Bank chairman John Quinton; Barings Bank

deputy chairman Nicholas Baring; Rothschilds Bank managing director Michael Richardson; Mario Conde of the Banco Español de Crédito (Banesto); and Miguel Boyer, former finance minister and head of the Banco Exterior. The seminar was organized by Lord Limerick, president of the British Council for Financial Services.

One can only hope this meeting was carried on with decorum. Some years back, when *Britannia* was in Spanish waters for a party for several of the junior members of the royal household, the Spanish weeklies published a photograph that showed Prince Andrew reviewing a mock chorus-line of men dressed in women's underwear.

## Royals 'out of the closet'

Strange fantasies of a different sort dominated the pages of the *Daily Telegraph* of London Sept. 16. One Hugh Montgomery-Massingberd, who reportedly spends much of his time hankering after a royal knighthood, heralded the Queen's trip to Spain, in the context of the "Europe 1992" process, as an historic opportunity for bringing about the revival of monarchical systems across Europe.

In a half-page commentary entitled, "How Our Queen Can Play a Unique Role in Europe," Montgomery-Massingberd said that the Queen's visit to Spain is "a significant development in the future of Europe. Here, at last, are the continent's two leading monarchies, and two great monarchs, Elizabeth and Juan Carlos, seen to be together."

He regretfully recalled the decline of the idea of monarchy as a result of two world wars in this century. But now, Montgomery-Massingberd chirped on, "whether Mrs. Thatcher likes it or not, we are very much part of Europe. . . . Europe is open for business, and people are looking to the Queen for leadership. Nobody is better qualified. . . ."

"It is, in short, time for the royal family to come out of the continental closet, and own up to their European heritage," he went on. "Far from being finished, Euro-monarchy could be ripe for a revival. There is already a majority of monarchies over republics in Europe, and as the latter tire of the uninspiring careerism of politicians, there are encouraging signs of royalty rearing its head again. As France prepares to remember the bicentenary of the Terror, the royalists are being taken surprisingly seriously; royal returns in Yugoslavia and Romania have not been put beyond the bounds of possibility in the light of recent events; and we can never rule out another swing of the pendulum in Greece."

There is a "glorious irony" in the two best candidates to head a prospective "United States of Europe," Montgomery-Massingberd continued. One candidate for the "top job is none other than the head of the Imperial House of Hapsburg, Archduke Otto of Austria. . . . Alternatively, if the Queen succeeds in leading Britain wholeheartedly into Europe, she would surely make a universally acceptable figurehead for the federation."

# Rowland's *Observer* defends Soviet agents

by Mark Burdman

In its issues of Oct. 16 and 23, the London *Observer* weekly newspaper, owned by "Tiny" Rowland of the Lonrho company, ran bathetic, soap-opera-style defenses of important Soviet-linked Britons. In *Observer* writer David Leigh's view, these individuals have been unfair victims of witchhunts by a special counterintelligence unit in Britain's MI-5, the so-called "K Branch," and by the late Director of Counterintelligence of the CIA, James Jesus Angleton, whom Leigh denounces as "distinctly paranoid" and "an agent of a foreign power."

The articles are serialized from a book authored by Leigh, to be published Nov. 1, entitled *The Wilson Plot*. Aside from being an apologist for Soviet operatives in Britain, Leigh is known for his visceral hatred of Lyndon LaRouche.

The first of the two articles expresses outrage that former Prime Minister Harold Wilson was the target of a coup plot by MI-5 anti-Soviet operatives. In the course of defending Wilson, Leigh also defends such British fellow-traveler friends of Wilson as Robert Maxwell, the notorious KGB-linked publisher, and Lord Solly Zuckerman, the favored scientific adviser of the late Lord Mountbatten and a chief Western channel to the Soviet Union.

The nominal object of much of Leigh's anger, is the opportunistic former MI-5 investigator Peter Wright, whose book, *Spycatcher*, has generated enormous controversy worldwide, and in which the "plot against Wilson" is largely detailed, with Wright himself taking a prominent role. But more than this, Leigh is attacking an entire faction spanning Britain and the United States, but also extending to other Western countries, which is concerned with defending the West against Soviet subversion. Journalists, British intelligence war heroes, and other patriots do not escape Leigh's poison pen.

But what Leigh is really defending, only becomes clear when we look at some of the more curious details of the

defense he mounts.

The second in the series, published Oct. 23, is a tearjerker about how Niall MacDermot, once an up-and-coming British Labour Party politician, and his wife Ludmila Benvenuto MacDermot went into exile in Geneva, Switzerland, supposedly disgusted that they had been the targets of an Angleton/MI-5 campaign about their Soviet-linked activities. In the course of reporting this, Leigh reveals one significant piece of information, while omitting a most obvious piece of biographical data that might rip apart his whole concoction.

## An omission

First, on the omission. He strangely never mentions that MacDermot is currently head of the International Commission of Jurists (ICJ), based in Geneva. This is a well-known fact of political life in Europe; but it opens up a can of worms that Leigh obviously wants to avoid.

MacDermot became head of the ICJ in 1970, replacing Sean MacBride. The latter, now deceased, was a notorious Soviet agent of influence. As *EIR* reported (Sept. 23, 1988), MacBride was a key figure in the development of the Irish Republican Army (IRA). MacBride's policy guidelines toward Northern Ireland have been in significant part adopted by the Kennedy machine and the Dukakis campaign in the United States.

A new report issued by London's Institute for the Study of Terrorism, "IRA, INLA: Foreign Support and International Connections," reveals, in a chapter on IRA-Soviet ties dating back to the earliest days of the Bolshevik coup, that in 1927, "IRA delegates attended a conference of the Comintern's League Against Imperialism (LAI) in Berlin, and on their return an Irish section was formed with Sean MacBride of the IRA Army Council as secretary. In June 1929, Communists and IRA members established the Labour Defence League, which took part in violent mob attacks on non-union workers in Dublin. Among its leaders were MacBride and Geoffrey Coulter, a self-confessed Bolshevik, who had declared a 'soviet' in 1921 at a coal-mine in Leitrim. . . . The Defence League was to become the Irish section of the Comintern's International Red Aid."

International Red Aid, also known by its German name, Rote Hilfe, was one of the organizations associated with Willi Muenzenburg, the chief propagandist of the Comintern, who built a massive newspaper and magazine empire in Germany.

## MacDermot's pro-Russian friends

Bringing matters more up to date: In December 1987, while Gorbachov and Reagan were signing the Intermediate-range Nuclear Forces (INF) treaty in Washington, MacDermot was in Leningrad, attending an East-West international conference on legal issues, held under the auspices of the International Association of Democratic Lawyers. The IADL is headed by French Communist Party lawyer Joe Nordmann, the man who has defended the Soviet govern-

ment in legal actions brought by associates of Lyndon LaRouche in France. Another top IADL figure is former U.S. Attorney General Ramsey Clark.

East-West legal exchanges have become, more than ever, an important feature in Soviet international subversion, since the Sept. 30-Oct. 1 appointment of former KGB head Viktor Chebrikov, to head a special new Soviet commission on legal affairs.

The *Observer* has, in any case, a soft spot for Soviet-linked lawyers. On Sept. 18, it ran a sympathetic feature about John Platts-Mills, head of the socialist lawyers' Haldane Society, and former vice-president of the IADL. Platts-Mills, the *Observer* wrote, "was one of the group of Labour Members of Parliament in the 1945-1950 Parliament who argued that the Attlee Government should align itself with Stalin's Russia against Harry Truman's United States." Platts-Mills was a senior representative at the same December 1987 Leningrad meeting that MacDermot attended. His son, Jonathan, remarkably, has been the Lonrho corporation's chief troublemaker for approximately 20 years! Since 1956, when Nikita Khrushchov made his famous anti-Stalin revelations, Platts-Mills has "transmuted his political identification with Russia into a cultural one," the *Observer* commented.

That brings us to the next aspect of Leigh's series.

### A pointer toward Capri

Leigh reports that the mother of Ludmila Benvenuto MacDermot was Laura Benvenuto, whose family was close to the Russian-emigré circle in Italy associated with writer Maxim Gorky.

This is an interesting fact, bringing the MacDermot-Benvenuto story out of the realm of soap opera into the realm of the East-West "Trust." In the early development of Bolshevism, probably no single factor was more important in developing the Bolshevik ideology than the cultist and cultural discussions on the island of Capri during the first years of the 20th century, centering around the person of Maxim Gorky.

During the autumn of this year, there has been something of a "Russian culture revival" on Capri. During the latter half of September, the "Prix Italia" television award was given to a Russian documentary extolling the Russian Orthodox Church. In the days following, a conference was held in Capri on Russian culture.

These are but two, of a massive complex of cultural events taking place in Western Europe, sponsored by the highest levels of the degenerate European oligarchy, with the purpose of making Russian culture the favored culture for the Europe that is supposed to emerge in the 1990s, in the context of the "Europe 1992" restructuring reforms for Western Europe. This *cultural subversion*, rather than the spy intrigues as such, is what is really at stake in the problem of Soviet infiltration of the West.

Hence, Robert Maxwell, defended by Leigh, has recently become the publisher of *Our Heritage*, the official publica-

tion of Raisa Gorbachova's Soviet Culture Fund. The editor of that publication was recently in London, at a well-attended event at the London Christie's art auction house, during which pre-revolutionary and post-revolutionary Russian porcelain and ceramics were on display.

Maxwell has become an important patron of the European Culture Foundation, the prestigious Amsterdam-based foundation that is one of the conceptual architects of the cultural matrix of "Europe 1992."

The ECF, in turn, has recently strengthened relations with the cultural directorate of the European Community in Brussels, whose director of cultural affairs is Venetian politician Carlo Ripa de Meana.

Venice-Capri is the fault line along which long-term cultural, philosophical, and religious-theological issues are really determined for the European oligarchies, East and West. Over the Oct. 22-25 weekend, the prestigious Société Européenne de Culture held a conference of cultural influentials, East and West, on the theme, "The Europe of Culture in the New East-West Climate."

Leigh's article is, therefore, a signal that such new Rus-sophile cultural relations are the "going thing." The soap-opera format is only tailored to the degenerated cultural level of the followers of the editorial line of Tiny Rowland's *Observer*.

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## Who Killed Olof Palme?

### A Classical KGB Disinformation Campaign:

NBC-TV and the Soviet military daily *Krasnaya Zvezda* both blame LaRouche. . . .

Swedish Police Chief Hans Holmér suppresses major lines of inquiry, becomes a laughingstock. . . .

Twelve Stockholm investigators resign from the case, in protest against Holmér's cover-up. . . .

The British press breaks the story of Emma Rothschild's love affair with Palme—and the possibility that her father is a Soviet spy. . . .

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# The Trilateral Commission declares war on East Asia

by Mary McCourt Burdman

“The much-heralded Pacific Century may well be upon us already—but only if the political process catches up with the economic process in the region. The big news from East Asia in the last two years—from the Philippines, Korea, Taiwan, and China—may be that this process is finally under way. But equally big question marks remain. The Trilateral countries must watch, and be prepared to play significant supporting roles.”

This is the conclusion of a new report, *East Asia in Transition: Challenges for the Trilateral Countries*, prepared for and presented at the April 9-11, 1988 Trilateral Commission annual plenary in Tokyo. It has just been published under Commission auspices.

The members of the Trilateral Commission, whose sins include promoting the worst U.S. presidency in history, that of Jimmy Carter, and who now want to top that by inflicting a Michael Dukakis presidency on the world, are intent on spreading their misery in Asia.

This report is an 80-page justification for trampling on the national sovereignty of the East Asian nations, wrecking their economies under the regimen of the utterly bankrupt and discredited International Monetary Fund and World Bank, and bringing the Republic of Korea, which is now one of the major heavy industrial economies, into the Organization for Economic Cooperation and Development (OECD). This step will drag Korea and other East Asian countries into the entire international financial “process,” which has turned the United States into a rusting, post-industrial hulk, threatens to starve to death the people of Africa, and has the once-powerful Western nations trembling at the Soviets’ feet.

The report attacks all remnants of national sovereignty in economic and political relations, denounces “bilateral” arrangements between nations in this region, and demands that national relations be subjugated to the needs of the international liberal financial elite. The authors want to make Japan, where a strong faction remains committed to industrial development, technological progress, and national sovereignty, the Trilateral enforcer for the region. The authors demand that Japan deregulate its financial markets and interest rate policies, and say that Tokyo must be “internationalized in all senses,” including language, lawyers, and “openness in of-

ficial and private information access.” This has been partially accomplished—Japanese were founding members of the Trilateral Commission—but now Japan is under attack from a particularly dirty financial crowd in London (see *EIR*, Oct. 7.)

Were the financial power behind the commission not so powerful, the report itself would be quite funny: The Trilaterals generously offer their full services, including education in subversion for East Asia’s young elites at Harvard University. And, in an insult to the intelligence of every person in East Asia, the authors tout the “extreme care and discretion” in the way “outside influence” is used to topple governments in the region, as the United States did in the Philippines. It even becomes pathetic, talking of Trilateraloids’ “bafflement and sorrow” at the way the very determined leader of Singapore, Lee Kuan Yew, trounced the U.S. embassy there for its attempts to foster the opposition in Singapore.

A brief review of the report’s authors tells much. Richard Holbrooke, now a managing director at Shearson Lehman Hutton, Inc., the single biggest financial institution in the world, was assistant secretary of state for East Asian and Pacific affairs during the doomed Carter administration. Holbrooke helped run the U.S. Vietnam war fiasco during the Johnson administration. Holbrooke, with Robert Scalapino of the University of California at Berkeley, was one of the Americans who accepted invitations to the Soviets’ Vladivostok conference Oct. 1-3 on the “Asia-Pacific Region: Dialogue, Peace, and Cooperation,” the *Far Eastern Economic Review* reported Sept. 29. The Soviets proposed special economic zones, joint ventures, and strengthening trade links with Asian countries at the conference.

Scalapino was listed as assisting what the authors call “the Trilateral Process” that produced this report.

The second author is Roderick MacFarquhar, director of the John King Fairbank Center for East Asian Research at Harvard University. MacFarquhar was previously at Britain’s Royal Institute of International Affairs, also known as Chatham House, the leading liberal establishment policy think tank in Britain. The RIIA was spun out of the conspiratorial British “Round Table” group founded by the late Cecil Rhodes, and its “Anglo-Soviet Roundtable” is a leading Western “back-channel” into the U.S.S.R.

The third author is Kazuo Nukazawa, managing director of Japan's Keidanren (the Federation of Economic Organizations) in charge of international affairs. Nukazawa's career has taken him to the Japan Economic Institute of America and the liberal establishment's Rockefeller Foundation. It was David Rockefeller who founded the Trilateral Commission in 1973.

Others who participated in the "Trilateral Process" are two who ran the coup against long-time U.S. ally Ferdinand Marcos on the ground from Manila and Washington: former U.S. Ambassador to Manila Stephen Bosworth, and Undersecretary of State Michael Armacost. Also among the many others listed, are key promoters of the "Europe 1992" project, to abolish customs barriers on the continent in 1992, and national sovereignty not long thereafter. These include former NATO head and noted "decoupler" Lord Carrington; Viscount Etienne Davignon, who charted the destruction of the European steel industry; senior French synarchist Paul Delouvrier; senior European Community policymakers Heinrich von Moltke and Karl-Heinz Narjes; and Sir Michael Palliser, chairman of Samuel Montagu Bank in London.

This crew has set itself against what they call the "aging leadership" of the nations of East Asia, the leaders who fought World War II, and led the nationalist independence movements against the colonial powers, but "whose views were molded by developments of diminishing relevance to younger generations." The authors lump, as aging authoritarians, Lee Kuan Yew, Ferdinand Marcos, the late Chiang Ching-kuo of the Republic of China, with isolationist Ne Win who destroyed Burma, Deng Xiaoping of Red China, and Kim Il-sung of North Korea, and make their international priorities clear by focusing their outrage at Singapore, Malaysia, and the former Philippines government while praising how "responsive to forces of change" is Deng Xiaoping. In truth, Deng's "reforms" have left 50 million people homeless, unemployed drifters.

### **The next assault**

The report calls the last two years' events in the Philippines and the Republic of Korea—the overthrow of Marcos by the U.S. embassy in Manila and the near-destabilization of Korea—"political evolution." But although the authors seem smug about the situation in Korea—"South Koreans are ready for democracy," is the way they assess President Roh Tae-woo's defusing of the near-revolt situation last year—not every national government will be so easy to overthrow as Marcos, a man who entirely trusted President Ronald Reagan, and even so, in the Philippines, communist insurgents, the IMF, the entire international press corps, and ultimately President Reagan had to be enlisted to bring Marcos down.

The East Asian nations are certainly vulnerable on many fronts, but factions exist in these nations which are committed to national sovereignty and economic development. These

factions also recognize, what the Trilaterals lie about: the threats posed by both the Soviet Union and the People's Republic of China, and the fact that the U.S. State Department and CIA have betrayed them repeatedly.

The report is, therefore, very pointed in its attacks. President Lee Kuan Yew of Singapore has the honor of being, with the government of Malaysia, next in line for "the Marcos treatment." "Overriding concerns with stability and with restraining potential sources of disorder persist among [the] leadership generation. . . ." the authors write. "Lee Kuan Yew at the recent ASEAN [Association of Southeast Asian Nations] Summit in Manila . . . suggests some scepticism: 'Our young have no memories of past conflicts. They take the last 20 years of peace and prosperity as the normal course of events.' Ironically, Lee's concern about the fragility of the accomplishments of recent decades has led him to take conspicuously harsh measures against free expression which could erode his genuine accomplishments. These measures have been widely criticized, but the concerns they reflect are shared by many members of developing East Asia's governing elites regardless of generation."

### **A role for the United Kingdom?**

"The role and ability of the Trilateral nations in promoting political development in the region varies from country to country," the authors state in their "Recommendations" section. "There are times when outsiders can play an important role in other nations of the region, especially if the limits on outside influence are understood and any involvement is undertaken with extreme care and discretion. This is obviously most true of the United States, which remains the most important external influence on political and strategic events in the region. This influence was exercised effectively during the remarkable events in Manila and Seoul in the last two years, and it is to be hoped that this will continue to be the case. . . ."

"If the EC countries, Japan, and Canada had coordinated their positions in 1985-86 in Manila—they shared a common assessment of the disaster which a continuation of the Marcos regime represented—they might have had an effect on Marcos. Yet with the exception of an ad hoc effort put together by the EC ambassadors in Manila near the end, we are unaware of any significant actions by the Europeans, Canadians, and Japanese. In regard to other countries, such as Malaysia and Singapore, in the current circumstances, we wonder whether, at least at a private level, the United Kingdom in particular could play a role."

The United Kingdom is obliging. In July, both Devan Nair, who resigned as President of Singapore in disgrace, and an unidentified Malaysian who was imprisoned by the Mahathir government during last year's security crisis, gave talks at the Royal Institute in London.

Universities are also obliging, particularly in subverting the next generation. "There are a variety of indirect roles for

Trilateral countries. One of the most important, with the most enduring value, is the provision of educational opportunities in Trilateral universities," the report states. "The education of promising individuals in Trilateral countries is probably an important factor supporting the liberalization process. . . . Seoul National University, Beijing University, and Taiwan University have been among the top ten feeder schools in the world into graduate programs in Harvard University. . . .

"Significantly, pressures for more open political systems are coming primarily from the new, larger, and more sophisticated professional, technocratic, and business elites (increasingly possessing advanced degrees from leading Trilateral academic institutions)," the report states.

### Down with the national economies

A broader assault is being run against Japan and Korea, as well as the other "newly industrialized countries" (NIC): Taiwan, Hong Kong, and Singapore.

"While bilateral approaches cannot be totally rejected," the authors intone, "the multilateral economic institutions established since World War II (especially the IMF, IBRD, GATT, and OECD) remain the underpinnings of the global economic system. Regional and bilateral arrangements should only be transitional or temporary aids for strengthening the global regime. . . .

"The need to avoid bilateralism and economic 'bloc-ism' will put strong pressure on these countries to open their own markets, adjust their exchange rates more smoothly, and support multilateral and global institutions more firmly. . . . East Asian nations . . . have been beneficiaries of these institutions . . . they can now be expected to begin to make positive contributions, instead of merely remaining recipients of benefits. Hence, their positive participation should be encouraged by the Trilateral nations. Peer review, dispute settlement, and policy coordination within various global and regional institutions should be strengthened. . . .

"The Trilateral countries should take particular care to mold and manage bilateral and regional arrangements to be compatible with the eventual free trade regime. . . .

"East Asian countries with trade surpluses should work much harder to open their domestic markets, for services as well as goods. Progressive liberalization in financial, capital, and foreign exchange markets is urgently needed as well."

Japan, the world's biggest creditor, receives special treatment:

To ensure the capability for wider use of the yen to replace the unstable dollar, "Japan's financial markets for short-term government bonds, commercial paper, and other instruments and products must be free of regulations, and interest rates have to reflect market conditions in and outside Japan. Also, as the largest creditor nation, Japan must fully integrate its markets internationally so that the world economy functions more smoothly."

# Megabucks media to the defense of

by D.E. Pettingell

Between Oct. 7 and 23, seven newspapers in the United States and Mexico published full-page ads warning about an alleged "major threat to the United States" due to "a state of insurrection in Mexico" supposedly led by Cuauhtémoc Cárdenas Solórzano, former presidential candidate for the four-party coalition National Democratic Front. The ads, signed by the ghostly Committee for Improved U.S.-Mexico Relations, so far have appeared in the *Wall Street Journal*, the *New York Times*, the *Washington Times*, and the *Los Angeles Times*, and, in Spanish, in Mexico City's *El Herald*, Monterrey's *El Norte*, and Miami's anti-Castro *Diario Las Americas*. It has been widely distributed on Capitol Hill and among media circles by mail and messenger, in the form of a pamphlet in Spanish and English. The cost of this black propaganda has been estimated at \$150,000.

Investigative journalists' efforts to determine who is behind the smear campaign to present Cárdenas as a pro-violence, Moscow-controlled communist, have so far yielded limited success. It has been determined that the address given in the ads for the committee, P.O. Box 16224, Alexandria, Va. 22302, is not the committee's, but that of Jerry J. Woodruff, of 4709 South 29th Street, Arlington, Va. 22206; telephone (703) 931-9099.

Woodruff claimed, when questioned by reporters, not to know who the members were of the "Committee for Improved U.S.-Mexican Relations," and said that all he knows is that the committee members were "prominent Americans" from the west of the United States; he explained that a friend, for whom he had worked in the past, asked him to use his post office box as the return address for the committee. He refused to give the name of his "friend," saying he was not authorized to do so. In answering questions by the Washington correspondent for the Venezuelan daily *El Araguano*, Woodruff disassociated himself from both the CIA and the Mexican government, two of many agencies rumored to be behind the ad.

Woodruff, a former member of the Young Americans for Freedom and Sen. John P. East's (R-N.C.) press secretary



# campaign comes Mexico's PRI

from 1981 to 1986, described his "friend" as his "liaison" to the committee. Woodruff told reporters he would get back to them "tomorrow" with more about the committee after speaking to his "friend"; but Woodruff never did, and reportedly no longer answers his telephone.

Little else is known about Woodruff. Some sources describe him as a fundamentalist close to "people in Texas."

From Woodruff's bizarre behavior, one can only conclude that he is trying to hide the truth. His pretense that he himself is a simple "cut-out" in the whole affair, is hardly believable. Not only does he know who is paying for the anti-Mexico slanders, but he is determined to mislead efforts to find the truth. The fact that he worked for Senator East does not mean much, despite efforts in the Mexican media to draw a simplistic connection between East and the other Republican senator from North Carolina, Jesse Helms, and thus to conclude that since Helms hates Mexico, then probably he is behind the campaign. Perhaps.

## Behind the facts

A more useful avenue of investigation, however, is to look at the *modus operandi* of the committee, and analyze the content of the slander.

In comparing the English and Spanish texts, one can determine beyond any doubt that the slander was originally written in Spanish and badly translated into English. Woodruff confirmed this to *El Aragueno* when he told their correspondent in Washington: "The text in English reads as a translation. I suggested changes, but I was told it was too late." The English text contains editing that the Spanish omits, such as calling President-elect Carlos Salinas de Gortari's administration "the Gortari government."

So, if the original was written in Spanish, who did it? And was it written in Mexico? The Spanish is certainly a Mexican Spanish, as can be confirmed by anyone familiar with the peculiarly Mexican brand of political rhetoric.

The ad takes Cuauhtémoc Cárdenas's Sept. 14 speech before 200,000 followers in Mexico City's Zocalo central

square, as the main "proof" of Cárdenas's subversive intentions. In his speech, Cárdenas denounced the blatant vote fraud in the July 6 presidential elections, called for a permanent and peaceful popular mobilization against the "imposition" of Salinas de Gortari, and denounced those provocateurs who seek to lead Mexico into a bloodbath. He called upon his followers to commit themselves to act "as citizens within the legal framework."

The ruling Institutional Revolutionary Party (PRI) replied instantly, in what appeared to be a pre-prepared statement, charging that Cárdenas's speech "places him in blatant illegality. . . . Cárdenas has responded with an open call for violence and with a clearly serious injunction: 'Me or Civil War.'

"Cárdenas has gone so far as to propose that Carlos Salinas de Gortari resign . . . and proposed the creation of an interim government and new elections. The proposal has no legal or political arguments. . . . Cárdenas Solorzano is calling, again, for violence and provocation," the PRI charged.

The committee's ad reads: "On Sept. 14, Cárdenas demanded ["with no legal basis," reads the Spanish] that Salinas resign as President-elect, and that an interim government be appointed to call for new elections. Cárdenas was thus violating the Constitution ["the constitutional order," reads the Spanish], since refusal to bow to his demand provided him with the pretext to take to the streets. . . . The process is already well advanced; the position of the communists is: Cuauhtémoc Cárdenas or Civil War."

## Calles vs. Cárdenas

Equally revealing is the praise for Gen. Plutarco Elias Calles, President of Mexico (1924-28), that appears in the committee's ad. Calles, who served the House of Morgan financial interests, was expelled from Mexico by Gen. Lázaro Cárdenas in an effort to stop the bloodshed provoked by Calles's anti-Catholicism. Lázaro Cárdenas, who ruled Mexico from 1934 to 1940, was Cuauhtémoc Cárdenas's father.

Cuauhtémoc's political role has brought into the open, now more than ever, the historical faction fight within the Mexican political elite between *Cardenistas* and *Callistas*. The committee's ad not only slanders Lázaro Cárdenas as a "totalitarian communist" and Moscow agent, but says that 50 years of "leftist propaganda" in Mexico is responsible for the "myth" of "Lázaro Cárdenas, the Great President of Mexico."

The irreconcilable fight between *Callistas* and *Cardenistas* was made clear in the middle of October. Mexico's interior minister, Manuel Bartlett, in a recent ceremony on the 40th anniversary of Calles's death, called him the true and unique founder of "modern Mexico." Speaking before outgoing President Miguel de la Madrid and his cabinet, Bartlett said that De la Madrid was the faithful continuer of Calles's "progressive economic policies." Among the policies he praised was Calles's 1925 "negotiated solution with

the Committee of Bankers," the Morgan-controlled International Monetary Fund of the era.

Following the official ceremonies honoring Calles, Cuahtémoc Cárdenas said that "Calles tried to divide the Mexican Revolution." Cárdenas praised the work of his father, who opposed Calles's confrontationist policies and created the nationalist foundations of modern Mexico. "The works of the man who nationalized our oil [Lázaro Cárdenas], as well as the movement initiated in the 1917 Constitution, today suffer reversals such as privatization of state enterprises, new indebtedness, the impoverishment of the majority, and backwardness among our farmers."

Bartlett's deputy in the interior ministry is Fernando Elias Calles, Plutarco's grand-nephew. Opposition sources in Mexico have charged Fernando Elias Calles with censoring a popular TV series on Mexico's history, because it contained

testimony showing that Plutarco ordered the execution of a Catholic priest without trial. The entire section on Lázaro Cárdenas's government was also blacked out.

The TV series had been airing on Mexico's pro-government Televisa network. Televisa has been denounced by the opposition in Mexico for its biased political coverage. One of Televisa's most vicious manipulations of the truth was to present the *Cardenista* Front for a National Reconstruction Party (PFCRN), whose principles endorse Marxism, as Cuahtémoc Cárdenas's party. Cárdenas has never been a member of the PFCRN; it is one of five parties and a dozen political organizations which endorsed his presidential candidacy.

The Committee for Improved U.S.-Mexican Relations' ad echoed Televisa, in lying that Cárdenas is a member of the PFCRN.

## LaRouche: Investigate registered agent of Mexico

*The press release which we excerpt here was issued by EIR News Service on Oct. 19:*

On Oct. 7, 1988, a full-page advertisement entitled "State of Insurrection in Mexico, a Major Threat to the United States" appeared in the *Wall Street Journal*. The advertisement was signed by the "Committee for Improved U.S.-Mexican Relations." Since then, the same paid advertisement has appeared in the Oct. 14 *Washington Times* and in the Oct. 17 *New York Times*.

The substance of the ads is an attack on the governments of former Mexican Presidents Luis Echeverría Alvarez and José López Portillo, and on Cuahtémoc Cárdenas, the presidential candidate for the National Democratic Front (FDN) in the recent July 6 Mexican elections.

An Oct. 12 column, published in the Mexico City daily *Excelsior*, authored by Lorenzo Meyer, suggested that Lyndon H. LaRouche might have been the author of the paid advertisement. On Oct. 18, the daily *El Norte* of Monterrey, Mexico, also ran a column signed by one Maquiavelo claiming that LaRouche had been the author and the individual who paid for the advertisements.

It has become known to this news service that responsible U.S. journalists have been told by Mexican government officials in the office of the presidency, that LaRouche is the probable source of the ads. The investigation carried out by this news service as to the source of the

advertisements shows that the person responsible for the post office box which appeared in said ads, is one Jerry J. Woodruff. Mr. Woodruff claims to be a former member of Young Americans for Freedom and a former press aide to Sen. John East (R-N.C.) Any honest investigation into the source of the advertisements will obviously have to start with Mr. Woodruff.

In response to these events, presidential candidate Lyndon H. LaRouche gave EIRNS the following statement: "It is patently absurd for anyone to charge that I or associates of mine, are involved in the current series of scurrilous attacks on Mexico that have appeared in several U.S. newspapers. The public record shows that I have visited Mexico four times, and that on those trips I have proposed policies coherent with several of my written reports, among them 'Operation Juárez.' That report proposes an immediate halt to the usurious practices of the major international banks and lending institutions looting the Third World in general, and Mexico in particular.

"Therefore, it can only be with malicious intent that anyone would charge me with attacking as enemies of the United States, Luis Echeverría Alvarez, José López Portillo, and Cuahtémoc Cárdenas, given the fact that they are precisely the Mexicans who have publicly promoted similar policies as those found in 'Operation Juárez.'

"Finally, I use this occasion to announce that my representatives will formally request that the Department of State and the Department of Justice investigate possible violations of electoral law and the Foreign Agents Registration Act by one Mark Moran, who, using his position as an officially registered agent of the government of Mexico, is responsible for spreading among the press in the United States the vicious slander that I and my associates are responsible for these advertisements."

# Phony peace reigns in southern Africa

by Jeffrey Steinberg

These days, the bars in Windhoek, Southwest Africa (Namibia) are filled every night with a cast of characters that underscores the nature of the "phony peace" in southern Africa. Cuban officers, South African Army regulars, Angolans, American and European soldiers of fortune, and even SWAPO periphery, mingle and joke, according to one recent American visitor. Yet, a short distance to the north, on the Angolan-Namibian border, full divisions of Cuban and South African troops sit across from each other, a stark reminder that the minute that the superpower-administered "peace process" breaks down, all of southern Africa can be plunged into a modern version of the Thirty Years War.

Two events in late October underscored the nature of the crisis: the elections in the Republic of South Africa, and the intervention of the United Nations in Namibia.

First, in nationwide municipal elections in the Republic of South Africa, the Conservative Party scored impressive victories in the Boer-dominated Transvaal region, for the first time captured several city councils in the British working class suburbs of Johannesburg, and came within several seats of capturing control over Pretoria and Johannesburg proper. The massive defections from the ruling National Party reflect a growing climate of rage and despair, directed largely against 1) the policies of Foreign Minister Pik Botha, which many view as an effort to satisfy American anti-apartheid demands by turning the country over to the terrorist African National Congress (ANC); and 2) against the economic suffering brought about by Western embargoes.

According to U.S. intelligence sources, this unrest is being fueled by a new and more sophisticated deployment of East German and Soviet intelligence operatives, who are now approaching conservative South Africans on a "friendly" basis. Pointing to the American-Soviet new era of cooperation, the Russians are arguing that parallel solutions may be developed to end the East-West conflict within the southern African region. At the same time, according to sources in the region, Moscow is urging such frontline states as Mozambique to jump through the hoop to secure Western credit lines, arguing that Lenin consolidated the Bolshevik Revolution through the flows of Western technologies, food supplies, and credits during the early 1920s era of the New Economic Policy (NEP).

The second event was a several-day tour of Namibia by the U.N. team responsible for overseeing the spring 1989 elections and for securing the peaceful transition to full in-

dependence. At the conclusion of its tour, the U.N. team announced its projection that the total cost of administering and securing the election would be over \$1 billion, according to sources in Windhoek. That announcement triggered a furor among Southwest Africans, who are starved for development credits to expand the country's infrastructure. According to one farmer, that \$1 billion could pay for irrigation projects, expanded electrical power, and the completion of a nationwide communications grid. "No election is worth \$1 billion," is the conclusion of many Namibians, who would vastly prefer to sink those funds into infrastructure, and who see the U.N.-administered "independence" as an external imposition of a terrorist regime, SWAPO, on one of southern Africa's most stable spots.

## Peace deals doomed to fail

All across the region, the question of genuine economic development has been swept from the agenda—in large measure through the direct intervention of Tiny Rowland's Lonrho, the International Monetary Fund, and the World Bank, and through the U.S. Treasury Department's blocking of Japanese and French efforts to build up an African development fund. In its place, a set of superpower phony peace deals has been imposed, which are by their very nature doomed to fail, without a strong foundation of economic aid.

From Mozambique to Angola, the State Department is pressing for legitimate anti-Soviet resistance movements to enter into coalition governments with communist majorities, a recipe for slaughter.

- In Angola, where Jonas Savimbi's UNITA forces have apparently survived a dry season redeployment into the northern third of the country, the MPLA government in Luanda is "offering" to integrate UNITA into a one-party government—provided that Savimbi goes either into exile or "retirement." Savimbi insists that Angola transform itself into a multi-party state, reflecting the three major resistance groups that joined forces to expel the Portuguese during the 1970s. Savimbi has spoken out against the corruption and tyranny that emerge out of one-party dictatorships, and has also underscored his own understanding that he is a high-priority target for assassination by both the Cubans and the Lonrho apparatus.

- In Mozambique, Renamo is faced with the prospect of a complete cutoff of support from South Africa, largely under pressure from the State Department's Chester Crocker, and the acceleration of assassination threats from the Mozambique SNAF secret police, now being trained and supported by Defense Systems Limited, a Lonrho subsidiary that was probably responsible for the assassination of top Renamo figure Evo Fernandez in Lisbon early this year.

With the American elections just days away, the President-elect will find that one of the very first crises to be taken up long before the inauguration will be the prospect of an explosion in southern Africa.

## New haven for drug traffickers?

*As Burma descends into chaos, more and more narcotics are pouring into India through the Northeastern states.*

**T**he arrest of a peddler who claims to be a member of the Assam Regiment, and seizure from him of heroin worth some \$3 million or more on the international markets, in the Polo Bazar of Shillong in July, highlights the burgeoning problem of drug trafficking in India's strategically sensitive Northeast.

According to a recent study by the country's anti-drug agency, the Narcotics Control Bureau (NCB), the four Indian states bordering Burma—Arunachal Pradesh, Nagaland, Manipur, and Mizoram—are already seriously affected by drug trafficking.

Poppy is grown in Burma by the Shan and various other "national liberation" armies battling the regime in Rangoon. From the Indian side, the chemicals acetic anhydride, along with caustic soda and aluminum chloride, are smuggled to Burma via Imphal-Morth, or any of a dozen other routes recently identified as the main avenues of smuggling between the two countries.

These chemicals are used in converting opium to heroin and other morphine-based narcotics in some 22 major refineries in Burma, mostly along the Burma-Thai border. In addition, the Shan United Army is said to control some 60 small mobile labs. Burmese heroin, intelligence officials point out, is highly rated because it is 96% pure.

Part of the heroin that flows back across the border is consumed in the Northeast, and the rest moves on into India or on out to Europe or the United States through Delhi, Bombay, or Nepal. The essentials of the racket are

not new; what is new is the rapidly growing magnitude of the traffic.

Officials fear that there is worse to come. NCB spokesmen believe that with the Thai government's increasing pressure on drug warlords in the Golden Triangle region, such as Khun Sa, the drug traffic will shift increasingly westward into Burma. From there, the logical step is India's Northeast, with access to Calcutta or Nepal, and from there to other Indian cities and the West.

A five-day visit to Burma and Thailand in July by Indian Minister of State for Revenue Ajitpanja (who oversees customs) and NCB Chief B. V. Kumar initiated a working dialogue on the problem. An agreement for law enforcement cooperation against drugs was reached with deputy premier and head of the narcotics control board of Thailand, Adm. Sontee Boonyachai. A similar draft agreement was considered by the Burmese cabinet, days before the Ne Win government fell in September.

Anti-drug cooperation may not be the only casualty of the current turmoil in Burma. As even the pretense of central authority in the country evaporates, and new rebels join the old army and create new ones, the drug traffickers are sure to seize the advantage. As of July, Indian narcotics officials have estimated that the Shan United Army itself was husbanding a bumper crop of some 1,100 tons of opium. But Shan is by no means the only player involved.

As one might expect, there is a larger geopolitical angle. The Burmese Communist Party, which is based

in Shan state and runs a large chunk of the poppy-growing and drug-running operation in the state, can be expected to step up its activities to finance new political initiatives, as leverage in the crisis. Some Western forces report that part of last year's unusually large "market offering" of Golden Triangle heroin actually came from China's Yunan province, via Burma.

Although India's relatively tough anti-drug laws of 1985 did ban the movement of acetic anhydride within a 100-kilometer belt along the Indo-Burmese border, enforcement has been difficult. Most Northeast states have yet to extend the writ of the 1985 law. In some cases, local law enforcement is in league with the smugglers, as indicated by the open proliferation of "foreign markets" with Chinese and other sophisticated consumer goods in these otherwise impoverished towns. Fighting between the different enforcement branches is another problem.

The NCB, which could be expected to step into the vacuum, is itself woefully understaffed, with a total roster of some 80 officers to cover the entire country. NCB has provided assistance to the state government to train men in narcotics enforcement, and 50 officers from Manipur are currently in training. NCB has also proposed that a laboratory for testing drugs be set up in Imphal, to serve the region.

According to the NCB report on the threat in the Northeast, the transit problem is accompanied by a production and consumer problem as well. Opium poppy is grown on a commercial scale in Mizoram, they say, and in several districts of Arunachal Pradesh. While there are no official figures for the number of addicts in the Northeast, the problem is said to be "alarming" in both Manipur and Mizoram.

### Oil workers denounce Beteta

*Mexico's oil workers have put Salinas on notice through their challenge to the governor of Mexico state.*

On Oct. 20, a group of federal congressmen from Mexico's Union of Oil Workers, stood up in the Chamber of Deputies to accuse the governor of the state of Mexico, Mario Ramón Beteta, of having committed fraud against the nation during his tenure as director of Mexico's oil company, Pemex. The oil workers demanded the immediate formation of a commission of inquiry in the Chamber. In that one stroke, the powerful oil workers' union put President-elect Carlos Salinas de Gortari on notice that they would no longer permit the country's wealth to be sold out by the oligarchy.

With the support of the opposition, these trade union congressmen in the ruling PRI party won majority approval to form a multipartisan investigating commission. Should their accusations be proved, Beteta could be impeached as governor.

Almost immediately, President Miguel de la Madrid launched into a defense of Beteta, saying, "I know Beteta well. . . . We have worked together for many years. He is a patriotic, effective, and honest public servant." The President's defense of Beteta is explained in part by the fact that the latter was one of De la Madrid's protectors during his passage through the Bank of Mexico. Later, when Beteta was named finance minister under Luis Echeverría, Miguel de la Madrid became Beteta's deputy minister.

De la Madrid's testimonial to Beteta is also an explicit defense of his own policy of delivering the country's oil wealth to the banks. It is no accident that there have been an unprece-

dent number of recent attacks in the media—domestic and international—against oil workers leader Joaquín Hernández Galicia (known as "La Quina"), who strongly opposes the privatization of sections of Pemex and the use of Mexico's oil to pay the foreign debt. In late September, the *Wall Street Journal* published two consecutive articles attacking La Quina and saying that he runs his union the way Jimmy Hoffa ran the Teamsters in the U.S. The message was clear: Hoffa was assassinated, and you could be next.

On Oct. 6, Mexican "intellectual" Lorenzo Meyer, with close links to President-elect Salinas de Gortari's strategists, wrote in the daily *Excelsior* that La Quina and opposition leader Cuauhtémoc Cárdenas were the two major obstacles the government had to deal with if it wants to join the North American Common Market.

In presenting the accusations against Beteta, Congressman Adolfo Barrientos observed that the fraud was directly committed by the company Flota Petrolera Mexicana (FPM), owned by Isidoro Rodríguez, through its contract with Pemex, then under Beteta's direction. Beteta first granted Rodríguez's unguaranteed paper company a lucrative contract to transport oil, which enabled Rodríguez to then get bank credit to buy oil tankers at substantially overvalued prices. The overvaluation, and other glaring irregularities in the FPM/Pemex contract, brought Rodríguez a total of \$49 million in profits which increased fabulously with the currency devaluations

that followed, one on top of the next.

Denunciations of the irregularities at the time led to an investigation by the Comptroller, who confirmed the fraud, but Pemex officials accepted Rodríguez's side of the story and confirmed his contract for ten years.

Barrientos's accusations also were directed at various of Beteta's accomplices, among them: Isidoro Rodríguez, currently president of the National Chamber of Transport (CNA) and owner of FIASA, a parent company including various important companies; Sen. Jesús Alcántara Miranda, public relations director of the CNA; and former federal Congressman Oscar Aguirre López, general secretary of the CNA. All of them are members of a Freemasonic sect tied to the sinister Propaganda-2 lodge.

It turns out that those most alarmed by the charges against Beteta are not his friends and family, but rather a prominent group of businessmen who are some of Pemex's principal contract holders. These include: Carlos Hank González, former Mexico City mayor, businessman, and the PRI politician who is the real figure behind Isidoro Rodríguez; Alejo Peralta, contract holder for various state companies; Crescencio Ballesteros, construction magnate; Jorge Jiménez Cantú, former governor of the state of Mexico; and the Lebanese Anuar Name Yapur and his protector Emilio Checa Kuri, who has been charged with fraud himself and is currently a fugitive from Mexican justice.

While serving as Mexican finance minister, Beteta was involved in a huge scandal that broke when it was learned that several dozen important industrialists from the state of Mexico were involved in a tax evasion scheme. Beteta interceded with then-President Luis Echeverría so that they would not be penalized if they would cover their debts.

## Moscow dazzles Brazil

*Sarney's visit to the Soviet Union was marked by unusual Russian fanfare; what does Gorbachov have up his sleeve?*

Soviet diplomacy outdid itself in the unusual red-carpet treatment it gave visiting Brazilian President José Sarney and his entourage, during his official tour Oct. 19-21. This is the first time in this century that a Brazilian head of state has visited the Soviet Union; the last time was by the Braganza Emperor Pedro II.

During the entire visit, Russian treatment of the Ibero-American President was conspicuously purged of the standard trappings of Communism, Marxism-Leninism, "Third Worldists of the world unite!" and all the other slogans regularly employed in its foreign policy by the Muscovite caste, most assuredly to impress the Brazilian military men in the entourage. They were not even taken on the obligatory tour of Lenin's Tomb. Rather, the Soviets revealed themselves in all their imperial splendor, as the intended masters of the Third Rome.

The imperial salons of the Kremlin were opened to receive their South American guests; the most splendid were chosen to celebrate the official ceremonies, the same ones used by the czars to receive their special invitees; a military ceremony to honor the Unknown Soldier demonstrated a well-disciplined, arrogant army.

In sum, it was the *Russian* soul, and not its "proletarian" one, which dominated the trip that opened a new era in Brazilian-Soviet relations. President Sarney described it as "the end of any kind of ideological trappings in Brazil's relations with any other na-

tion of the world." According to the *Washington Post*, Sarney was "so effusive in his praise of Gorbachov that the Soviet leader felt compelled to cut him short."

The Sarney-Gorbachov meetings ended with the issuance of a joint political declaration, a triumph of Russian diplomacy entitled "Declaration on the Principles of Interaction in Favor of Peace and International Cooperation." And although it specifies that it is not directed "against anyone," it overwhelmingly targets the U.S. Strategic Defense Initiative (SDI). Both nations declare their recognition of "the imperative of the non-militarization of outer space."

Suffused with pacifism, the joint declaration commits both the Soviet Union and Brazil to "a policy of political consultation," to exchange evaluations on the most pressing contemporary issues. To begin that process of interchange of ideas, Soviet Foreign Minister Eduard Shevardnadze has arranged for a return trip to Moscow next year for his Brazilian counterpart, Roberto Abreu Sodre.

Independent of the handful of vague trade treaties signed during the visit, the unmistakable conclusion is that the Brazilian government agreed to serve as Moscow's interlocutor in South America.

Some of the agreements that were reached included:

- exchange of military attachés;
- creation of a reciprocal credit line to finance imports and exports to

the tune of \$20 million;

- cooperation in space, specifically research into rocket propulsion. In the meeting between foreign ministers, the Brazilian insisted that Brazil urgently needs Soviet technology for rocket motors;

- establishment of consulates in Leningrad and Rio de Janeiro.

Throughout the Sarney visit, what Soviet diplomacy—and the Gorbachov couple—did was to consciously manipulate the imperial remnants that underly Itamaraty (Brazil's foreign ministry), responsible for orchestrating the Sarney trip to Moscow.

Throwing an interesting light on the Sarney trip vis-à-vis Soviet official policy toward Ibero-America was Victor Volski, director of the Latin American Institute, who preceded Sarney's trip to Moscow by addressing a seminar on *perestroika* in Rio de Janeiro, where he confessed that his country's priority in international relations was with the United States, and only secondarily with Latin America. The question then is why this special treatment for Brazil?

The answer is not difficult to discern if one reads for oneself the texts of Russian foreign policy, such as the magazine *América Latina*. In this year's August issue, Boris Martinov, considered an expert on such figures of Brazilian imperial policy from the past century as the Baron de Rio Branco, writes that what is important about the civilian government that was inaugurated in Brazil in 1985, is that Itamaraty was finally freed of the "marriage" it was forced to maintain with the "pragmatic military" over the course of 20 years of military rule in the country. Now, says Martinov, it is finally possible to "bring the greatest country of the continent out of the periphery and toward a new level of presence in world politics."

## Socialist no longer a shoo-in

*Ex-President of Venezuela Carlos Andrés Pérez might lose his reelection bid—the wild card is the Venezuelan Labor Party.*

Sometimes, in the final round, the boxer who “fixed” beforehand to lose the fight, knocks out his rival. The presidential candidate for the Venezuelan Social Christian Party, Eduardo “The Tiger” Fernández, knocked his social democratic opponent Carlos Andrés Pérez, candidate of the Democratic Action Party (AD) to the mat Oct. 18. He also knocked out the gentlemen’s agreement set up 25 years ago in the so-called Punto Fijo Pact.

On Oct. 18, Fernández began filling the television screens with an advertisement asserting that Venezuelan Presidents Carlos Andrés Pérez (1974-80) and Luis Herrera Campins (1980-86) had sunk the country with their treatment of the foreign debt and devaluations of the national currency.

It was a shock both because the self-named “tiger” had previously acted like a pussycat toward Dukakis-buddy Pérez, and because Herrera is from Fernández’s own party, COPEI. On Oct. 20, Fernández told a press conference, “I am responsible for the spot going out on television. I ordered it. I have given my word to the Venezuelan people that I will follow different policies.” Fernández emphasized, “My government will be different from that of Pérez, different from Herrera and different from [incumbent President Jaime] Lusinchi. . . . The disastrous path begun by the Pérez government could not be corrected by the Social Christian [Herrera Campins] administration. . . . During the past 15 years we have had two AD governments and one COPEI. Very grave er-

rors in the administration of immense riches [Venezuela’s oil bonanza] have been made during these 15 years. . . . I am going to govern to correct the errors of the past and to make real the new hopes. . . . For that reason, I place the interests of Venezuela above the interests of my own friends and my own party.”

Carlos Andrés Pérez (CAP) immediately responded, but from the safety of the ropes. Tacitly accepting Fernández’s charges, CAP said, “We are not going to deny the past; we are responsible for what we did, for the good and the bad we could do, but we are also firmly determined not to repeat errors, because we have learned from our own experience and we also have the experience of the tragic government of Luis Herrera Campins and the efforts of the government of our comrade President Jaime Lusinchi.”

The problem is that although what Fernández said is true, up to now his program has paralleled that of Carlos Andrés Pérez, whose present proposals are even worse than what he did when he was President.

Venezuelan Labor Party (PLV) presidential candidate Alejandro Peña used his campaign to focus on precisely the same policy disasters which Fernández has now suddenly identified. In dozens of interviews in newspapers, radio, and television, Peña has shown with statistics and graphs that during the past 15 years, creditor banks have looted \$67 billion out of Venezuela, with the total complicity of those governing. In addition, during the

same 15 years, \$37 billion in flight capital has left the country.

On Oct. 19, during a two-hour interview on Channel 11 in the oil city of Maracaibo, Peña described CAP and Fernández as “two barflies who go to Rockefeller’s Council of the Americas to peddle their favors and see who will give more to the bankers. . . . The ironic thing is that CAP is a useful fool for Moscow,” and the man whom Fidel Castro just proposed as the leader Latin America needs.

That day, also in Maracaibo, CAP presented his electoral platform. Most of it was vague abstractions, but he clearly stated he would privatize the industries the state has developed, would give “greater flexibility to interest rates,” and would set foreign exchange rates so as to stimulate exports and foreign investments.

However, what his main opponent Fernández did, goes way beyond mere electoral tricks: Fernández broke “the rules of the game.” That opens a plethora of possibilities for change. Although most of the sacred cows of his COPEI party reacted against him for having blasted COPEI ex-President Herrera Campins, the biggest reaction on this score came from CAP’s social democrats. Perhaps by denouncing the politicians of his own party, Fernández cut the shackles which had kept him from letting the whole truth out, something which only the PLV has done up to now.

But if Fernández really wants a different kind of administration, he will have to immediately correct his economic program. Of the many contenders, the only one who has proposed an effective program is Alejandro Peña, who calls for debt moratorium, Ibero-American integration, and a detailed plan of how to develop the agricultural and industrial potential of Venezuela to make it into what he calls “an industrial power by the year 2000.”

# International Intelligence

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## ***Afghan guerrillas reject Soviet talks***

The Afghan resistance has turned down recent Soviet offers to hold direct negotiations on the future of Afghanistan, according to rebel and diplomatic sources.

During October, the sources said, the Soviets have made attempts through several channels to start direct talks with the Peshawar-based, seven-party rebel alliance, which represents some, but not all of the Afghan guerrilla groups.

At the end of September or early October, the sources said, the Soviet ambassador in Islamabad made a personal request to Ghulam Ishaq Khan, Pakistan's Acting President, to facilitate meetings with the guerrilla alliance.

On Sept. 15, two Soviet journalists met with members of the fundamentalist Jamati-Islami and with Ahmed Gailani, head of the moderate National Islamic Front of Afghanistan.

Another approach was made later in December from the Middle East. "The Soviet Union is using as an intermediary Marouf Dalawabi, a former Syrian prime minister who has become an adviser to the Saudi royal family," said a guerrilla source.

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## ***Two Germans kept hostage in Afghanistan***

Two West Germans are being kept hostage in an Afghan prison, expecting trial on charges of "infiltration, espionage, and collaboration with bandits." The two Germans, Lea Hackstedt and Benno Splieth, work for the Cap Anamur German Medical Emergency organization, and entered the north of Afghanistan through Pakistan. Their assignment was to supply medical aid to the people there, who are living under a total medical embargo by the Afghan regime and the Soviets.

The Germans were arrested in September and have been imprisoned in Kabul ever

since. Their case has been utilized by Soviet propagandists to attack "agents from abroad who are instigating rebellion in the country." The two are awaiting "ruthless trial."

The chairman of the Cap Anamur group, Rupert Neudeck, has charged the Bonn government with "not putting enough pressure on Moscow and Kabul for an end to these trumped-up charges and the release of the two."

He said, "Apparently, because of the chancellor's coming Moscow trip," the government has kept a very low profile on the case, in order not to embarrass the Soviets.

West German foreign ministry officials termed Neudeck's statements "not helpful at all."

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## ***NATO report paves way for missile modernization***

NATO defense ministers were expected to approve a report which reaffirms that short-range nuclear weapons (SNFs) are vital to Western Europe's defense at a meeting of NATO's Nuclear Planning Group scheduled for Oct. 24 and 25 in the Dutch resort town of Scheveningen.

The adoption of the report may pave the way to beginning modernization of such weapons systems. The United States and Britain are pushing for a quick agreement to develop and deploy a new missile to replace the Lance, and a tactical air-to-surface missile capable of penetrating Warsaw Pact air defenses.

West Germany is reportedly less willing to modernize, and is urging negotiations with the Warsaw Pact to reduce such systems.

With the removal of U.S. intermediate-range Pershing and cruise missiles through the U.S.-Soviet INF treaty, a situation has been created in which NATO must resort to SNFs, whose range is such that they are only deployable after a Soviet invasion of Western Europe has begun. West Germany is wary of modernizing weapons that would, in short, be used to destroy a Soviet-occupied Germany.

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## ***U.S. to stage largest Pacific maneuvers ever***

The U.S. Armed Forces Pacific Command has made the decision to stage huge combined maneuvers involving all countries in the Pacific zone allied to the United States, including Japan, in September-October 1989.

The news was reported Oct. 17 in *Sankei Shimbun*, a newspaper close to Japanese military circles, under the headline, "Biggest Maneuvers in Pacific History."

The maneuvers will cover the entire Pacific zone that encompasses the Aleutian Islands, the Sea of Okhotsk, the Sea of Japan, and the South China Sea.

The Japanese newspaper said that the showed only a rudimentary knowledge of driving techniques, and U.S. Pacific Command intends to implement a "U.S. Pacific Defense Strategy," and determine the role of each of the allied Pacific nations in this defense strategy.

The commander of the U.S. Armed Forces in the Pacific and Indian Oceans will direct the maneuvers, for the first time during peacetime.

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## ***Soviets attack rise in Japan's defense outlay***

Igor Sokolov of the Soviet Union's IMEMO foreign policy think tank told the 53rd Pugwash Conference on Science and World Affairs in Beijing that the rise of Japanese defense spending is creating tensions and accelerating the arms race. Sokolov was speaking at a press conference Oct. 24.

Others at the press conference also attacked the rise in Japanese defense spending. Martin Kaplan of Britain, secretary general of the Pugwash conferences, said that Japan spent about \$30-40 billion a year on defense, as compared to \$5-15 billion by the People's Republic of China.

Kaplan said that once Japan starts increasing its military expenditures, there is



## Briefly

no telling where it will stop. Although Japan has neither aircraft carriers nor strike force bombers, it might find excuses to acquire them, he alleged.

Joseph Rotblat of the United States said that other nations should reduce their arms to Japan's current level, not vice versa.

The four-day conference opened Oct. 17, co-sponsored by the Chinese People's Association for Peace and Disarmament. About 50 "experts" from 12 countries, 20 of them Chinese, attended. The *China Daily* Oct. 19 told its readers that the Pugwash conferences began with the 1955 Bertrand Russell-Albert Einstein manifesto against nuclear arms.

The Pugwash movement has been a leading back-channel for arrangement of "power-sharing" deals between the super-powers ever since.

### ***Soviets spy on Sweden using civilian trucks***

The Warsaw Pact countries are using civilian trucks to spy on Swedish military installations and store equipment for secret Soviet *spetsnaz* sabotage units, a report commissioned by Swedish Supreme Commander Bengt Gustafsson has charged.

The report warns that East bloc vehicles are gathering information which threatens Swedish security. "Gathering mass information can be done very discreetly without breaking Swedish law," it stated.

The report cites 10 instances between 1981 and 1988 in which Eastern European trucks made long detours, sometimes of up to 1,000 miles, or suspicious stops near sensitive military areas when crossing Sweden. Some of the drivers of these trucks had been seen photographing airfields and pointedly following military convoys or exercises.

"This has obviously just been the tip of the iceberg," a Swedish Defense Staff spokesman is quoted by the *Daily Telegraph* of London Oct. 24. The spokesman added that a proportion of what appeared to be "civilian vehicles" were in all probability carrying highly sensitive radar and photographic equipment.

Apart from espionage, the suspicious East bloc trucks coming into Sweden could also have been used to transport weapons to be stored in Sweden for sabotage groups and to smuggle such groups into Sweden prior to a war. Further, the vehicles could be used for meetings with agents in Sweden, and for mapping out telecommunications centers, weapons industries, and roads suitable for an attacking force.

### ***Moscow to host Korean opposition leader***

South Korean opposition leader Kim Dae-jung, a property of the U.S. State Department, has been invited to visit the Soviet Union. It is the first such invitation ever to a South Korean political leader.

According to Reuters, Georgi Arbatov, head of Moscow's U.S.A.-Canada Institute and a member of the Supreme Soviet, sent a letter to Kim offering to secure him a Soviet visa should he accept the invitation.

Said a spokesman for Kim, "No concrete decision has been made yet, but Mr. Kim will consult various people inside and outside the party about his possible visit."

Meanwhile, although a State Department asset, Kim, always the demagogue, demanded on Oct. 26 that the Roh Tae-woo government undertake a "complete review" of relations with the United States to help curb Washington's "tremendous influence" over Seoul. "We face the task of reestablishing our relations with the U.S. on a new basis of independence, equality, and reciprocity," Kim said in a speech to the opposition-controlled Parliament.

In the destabilization of Korea, Kim has been scripted by the State Department and World Council of Churches to play "Cory Aquino" to President Roh's "Ferdinand Marcos." But the President succeeded in defusing political unrest and defeating Kim in presidential elections earlier this year.

Kim's party favors a withdrawal of American troops from the Korean peninsula and reunification with communist North Korea.

● **KOREAN STUDENTS** chanting anti-American slogans hurled 10 firebombs at the USO building housing a recreational club for American servicemen. They demanded a U.S. apology for a brawl one week earlier between 40 U.S. servicemen and nearly 200 Koreans in Itaewon. No injuries were reported in the fire-bombing.

● **SOVIET** Deputy Foreign Minister Petrovsky said at the United Nations on Oct. 24 that a Security Council agreement has been reached on an international conference on the Middle East.

● **ARGENTINA'S** Gen. Leopoldo Galtieri told a court in Buenos Aires that he is proud that he led the invasion of the British-occupied Malvinas Islands, and said that he has been tried and jailed not for losing the war, but for daring to invade at all.

● **WESTERN** diplomats in Kabul are denying Soviet charges that two Americans were killed during a government offensive against Afghan guerrilla positions in Gardez in mid-October.

● **AUSTRALIAN** police on Oct. 22 announced the biggest heroin seizure in that country's history, 43.5 kilograms of high-grade Thai heroin destined for Australia in Hong Kong. A total of 21 people were arrested, including an alleged member of the 14K Triad Hong Kong mafia, which has a strong presence in Australia.

● **A CRUCIAL** by-election in the state of Johore, Malaysia has been won by the ruling UMNO party. Two months earlier, the government candidate lost a by-election in the same state. The victory strengthens the leadership of Prime Minister Mahathir Mohamad on the eve of a party congress.

# James Baker III: the man who'll keep Bush in line

by Kathleen Klenetsky

The overwhelming majority of the Eastern Establishment is working overtime to ensure that the next U.S. President, be he George Bush or Michael Dukakis, will pursue a complementary set of foreign and domestic policies that will mean savage austerity at home, and the elimination of the last vestiges of American power abroad.

Although Dukakis is seen as a far more appropriate frontman for this dangerous and foolish policy thrust, Establishment factions are counting on Bush confidant James Baker III, the well-connected Houston native who is almost certain to be named Secretary of State, to steer a Bush administration down the same disastrous course to which Dukakis is already totally committed. With the evidence now pointing to a Bush victory Nov. 8, efforts to ensure that President Bush will be surrounded on all sides by Baker and his cronies have reached fever pitch.

According to reliable sources, Baker is the person who is expected to persuade Bush to renege on his promises not to raise taxes, and to embrace, instead, the massive assault on U.S. living standards which the Establishment is now preparing, and to accept suicidal constraints on the U.S. defense infrastructure, including fatal spending cuts in the Strategic Defense Initiative.

## **The Establishment talks . . .**

Wall Street banker Peter Peterson, who is regarded by some circles as the *capo da tutti capi* of the American elite, not least because he currently heads the New York Council on Foreign Relations, has provided a straightforward description of the agenda which he and his fellow policymakers have decided to foist on America and its allies. Peterson provides that agenda in his new book, *On Borrowed Time*, where he bluntly states in the introduction that the incoming President

must implement brutal cuts in social and defense spending during the first 100 days of his administration, or face the political collapse of his presidency.

"If the new President wants to avoid becoming Herbert Hoover redux," Peterson warns, "he should boldly seize this opportunity and tackle the 'twin towers' of the budget and trade deficits with a twin summit strategy: a domestic summit followed by an international summit." The agenda for the domestic summit, he says, "must include structural reform of entitlements . . . moderating defense growth and implementing consumption-based taxes. . . ."

"In looking where to cut, in deciding whose ox is to be gored, the obvious domestic targets are the fattest ones, the programs that account for the largest share of government spending and tax subsidies. These are the non-means tested entitlements like Social Security, Medicare, and federal pensions. . . . [W]e must move from age-based to need-based programs. . . . This will involve not only a substantial restructuring of entitlement programs themselves, but also a substantial modification of the way we think about them."

The international summit, Peterson says, should seek to wrest massive concessions from Western Europe and Japan, in the areas of defense, trade, and Third World debt. Specifically, says Peterson, this summit should establish a "global bargain . . . in which our foreign partners make equally demanding contributions," by underwriting the developing sector's debt burden, and by agreeing to more defense "burden-sharing," a euphemism for the planned American military withdrawal from Western Europe and the Pacific.

Assorted think-tanks and commissions are now scrambling to produce a host of variations on Peterson's theme, all scheduled to hit the ground running after the election.

Among the more influential "agendas for the presidency"

now in the works is one being produced by a group called American Agenda. Former Presidents Gerald Ford and Jimmy Carter serve as its honorary co-chairman, and its bipartisan executive committee includes such political luminaries as former Secretaries of State Henry Kissinger and Edmund Muskie, Democratic "fixer" Robert Strauss, former Congressional Budget Office director Alice Rivlin, retired Gen. Brent Scowcroft of Kissinger Associates, union leader Glenn Watts, and American Express chairman James Robinson III. James Cannon, former aide to Nelson Rockefeller and Howard Baker, together with Stu Eizenstat, Jimmy Carter's chief domestic adviser, are coordinating the outfit's day-to-day activities.

Within 48 hours after the next President is chosen, American Agenda is scheduled to present to him more than 35 position papers by various experts, covering topics ranging from AIDS to Soviet policy. Dukakis and Bush have each agreed to meet with American Agenda representatives immediately after the election, if he is elected. "Two days after the election," an American Agenda press handout states, "the next President gets its report for 1989; the problems outlined, solutions proposed."

The Center for Strategic and International Studies, a prominent Washington think-tank which boasts Kissinger and Zbigniew Brzezinski among its resident celebrities, is conducting a similar, though less publicized, project under the direction of Dr. Robert Hunter. Hunter formerly served as a top aide to Sen. Ted Kennedy (D-Mass.), and the Carter National Security Council, and is on the public record urging a drastic restructuring of NATO to accommodate a U.S. troop pullout.

### . . . And Jim Baker listens

The most important vehicles for ensuring implementation of this agenda is the National Economic Commission, which Congress set up last December, at Wall Street's behest, to develop a "deficit-reduction" package for the next President. Commission co-chairmen Bob Strauss and Drew Lewis, a Republican Party insider who now heads Union Pacific, have already publicly stated that the NEC will almost certainly tell the incoming President he must hike taxes, savage entitlement programs, and further reduce defense spending.

James Baker III's long-standing relationship with fellow Texan Bob Strauss will be instrumental in convincing a President Bush to work with a Democratic Congress to implement the commission's austerity prescription, despite Bush's campaign-trail vow that he won't let the NEC dictate to him, a source close to the commission recently confided.

"We've been treading water up till now," the source said, "but as soon as Nov. 8 rolls around, just watch us go into action. We've already got two days of public hearings lined up for Nov. 15 and 16," featuring "big names" like Fed chairman Alan Greenspan, and commission members plan to meet privately nearly every day until Dec. 21, when the group is due to sit down with the President-elect and tell him what he policies he has to follow.

The source dismissed George Bush's attacks on the commission and his repeated assertions that he won't entertain a tax hike as "just a lot of campaign rhetoric," and revealed that NEC members have been "in touch, informally," with both the Dukakis and Bush camps. "It's unrealistic to think," he stressed, "that with Drew Lewis and Bob Strauss being close friends of Jim Baker, they haven't had plenty of discussions" about how to get George Bush to toe the NEC line.

Sources in the genocide lobby predict that Baker will play a key role in persuading Bush to hop aboard the population-control bandwagon he abandoned when he joined the Reagan administration. The source said that he knows from personal discussions that Baker "is strongly committed to population control," and that, as Bush's Secretary of State, "will have a leveling influence" on his old friend. Baker, together with longtime Bush intimate William Draper III [whose father founded the infamous neo-malthusian Draper Foundation], will "get Bush to see the light once again" on population issues.

Other well-placed sources concur that Baker is the person to keep Bush in line, by controlling the flow of information and advice, and by insulating him against any input from more rational layers, and even from the grass-roots Reagan base. Indeed, plans already exist to rope in this latter constituency behind the Establishment's agenda through the populist Libertarian Party.

The *Washington Times*, which supposedly speaks for the "conservative" elements of the Republican base, carried a feature commentary by syndicated columnist Warren Brookes Oct. 26, calling on the NEC to invite Libertarian presidential candidate Ron Paul as the first witness at its Nov. 15-16 hearings, because he is the only candidate with a "real deficit-reduction plan." That plan calls for cutting \$150 billion from the federal deficit in 1989, by abolishing farm subsidies; freezing Medicare benefits and Social Security cost of living adjustments; and slashing military spending. Brookes quotes Paul: "I think NATO has weakened the West. . . . We could cut \$85-\$100 billion a year in military expenditures . . . by backing away from our interventionist foreign policies, including keeping 40,000 troops in Korea."

Whether populist Paul realizes it or not, there's very little difference between what he's proposing and what the Establishment is pushing, including in the defense and foreign policy realm. Brent Scowcroft, who serves on the Bush campaign's strategic advisory panel, underscored the convergence on these issues now being forged among the Dukakis and Bush factions of the Establishment, when he claimed to the Oct. 26 *Washington Post* that Bush is "clearly aware" that the SDI cannot continue to take an increasingly large share of a tight defense budget. "There is just absolutely no doubt that SDI cannot continue along the lines that Ronald Reagan wanted it to. It's impossible." James Baker is widely known to oppose the SDI, and will undoubtedly try to use his position in a Bush administration to put the final nail's in the SDI's coffin.

# Mark Richard and the moles in the Justice Department

Part 2 by Joseph Brewda

A certain holdover from Ramsey Clark's days at the U.S. Justice Department, current Assistant Attorney General Mark Richard, has accumulated vast bureaucratic powers respecting matters of state. These include oversight over the national security section of the Criminal Division, which handles all intelligence issues; international litigation, which is charged with all liaison with foreign law enforcement; the Office of Special Investigations, which maintains unique ties with the Warsaw Pact secret services under the cover of "Nazi hunting," and the fraud unit, which has specialized in politically motivated dirty tricks of the sort currently being run against Lyndon LaRouche.

The striking feature of Richard's career is less that he has acquired such powers, than that he has used them in ways demonstrably hostile to the national interests of the United States. An honest investigator who reviews Richard's career from the time he joined the DoJ fraud unit in 1967 is forced to the conclusion that, if Richard is not a Soviet agent, then he must be controlled by a Western network deliberately aiding Moscow.

Richard is a member of a network which was established during the tenure of Johnson administration Attorney General Ramsey Clark. Clark has since emerged as a darling of the Soviet media for his worldwide efforts to extend Soviet military power. Other members of this ring include: Philip Heymann, now at Harvard Law School, who ran the Carter Criminal Division; former Rep. Elizabeth Holtzman (D-N.Y.), now Brooklyn District Attorney, who created the OSI; former Assistant Attorney General Stephen Trott, now a California judge; and former Reagan administration Criminal Division director William Weld, now a Dukakis activist.

## The real Watergate conspiracy

Whatever else the "Watergate" scandal may have been used for, the Senate Watergate investigation and accompanying media extravaganza forced a reorganization of the Justice Department in ways disastrous to U.S. national security. It was during this period that Richard and others in his ring began their rise.

The Watergate reform drive was directed by Harvard law professor Archibald Cox, who used his appointment as Watergate special prosecutor to torpedo the Nixon presidency; Nixon Attorney General Elliot Richardson, a longtime Boston blue-blood crony of Cox; Philip Heymann, a top investigator for the special prosecutor; and young Harvard law graduate William Weld, who was then getting his start as deputy minority counsel to the Senate Watergate committee, under Richardson's patronage. Rep. Elizabeth Holtzman's histrionics as a member of the House Judiciary Committee were also essential.

One of the more important features of Watergate was its use to reorient the Justice Department from traditional concerns to "white collar crime," "official corruption," and "international fraud." This began in 1973, when Attorney General Nicholas deB. Katzenbach created a Major Violators unit at the Fraud Section. Mark Richard was its first head.

This institutional shift was consolidated by President Gerald Ford's Attorney General, Edward Levi, who engineered the first major Justice Department reorganization since Ramsey Clark. In 1975, Levi empaneled a White Collar Crime committee charged with redesigning the Criminal Division. It was to set up a new gestapo. On its recommendation, Levi formed a new Public Integrity Section at the division—nominally to handle "official corruption"—and an Office of Public Responsibility, to monitor and police Justice Department personnel; and, he elevated Mark Richard to run the Fraud Unit. OPR's chief from its inception has been Michael Shaheen, who had been Richard's predecessor as Department of Justice liaison to the intelligence community.

Simultaneous with these developments, the FBI formed its first white collar crime section, which grew rapidly to become one of its major dirty-tricks units. All organizations formed during this period combined to direct the Carter administration's "Abscam" gestapo-style investigations, which imprisoned politically targeted U.S. congressmen and senators on trumped-up fraud charges. If it were not for these frame-ups, which completely terrorized Congress, it would be doubtful that that institution would have acted as treason-

ously as it has in the period since.

One key figure involved in this Department of Justice reorganization was Levi's Criminal Division head, Richard Thornburgh, now the Attorney General of the United States. One of Thornburgh's first acts, upon assuming office in September, was to promote Richard to a specially created post, "Special Assistant to the Attorney General" on criminal matters, and yet, maintaining all of his existing functions.

The sagacious investigator will observe, that for all of the ostensible emphasis on "white collar crime" and "official corruption," there was an explosive growth of drug trafficking, and of drug money laundering by "reputable," very "white collar" banking institutions, immediately after these Watergate reforms. William Weld's cover-up for the Bank of Boston, after it was caught laundering over \$1.2 billion in illicit funds, merely typifies this network's very consistent failure to deal with its formal mandate. What it has done, while protecting drug-trafficking and money-laundering networks to the detriment of the national security, is to target and destroy constituency-oriented political machines.

### Forging the Soviet link

Simultaneous with the Watergate reforms, Elizabeth Holtzman, Edward Levi, and Henry Kissinger, soon to be aided by Philip Heymann and Mark Richard, set into motion the worst Justice Department development since World War II: the agreement to accept Soviet "evidence" in the U.S. legal system. This link has been crucial to the ever-expanding influence of the KGB and other foreign intelligence agencies inside the U.S. government. The cover for this breakthrough was the Soviet black-propaganda line that the United States was harboring "Nazis."

Prior to 1973, alleged "Nazi war criminals" illegally resident in the United States were not investigated by any special unit at the Immigration and Naturalization Service (INS), but lumped together with all alleged violators of immigration statutes. There was no reason to do otherwise; the official estimate of the number of such fugitives was tiny, and these were aged or dying, even if guilty.

But an inspired Congresswoman Holtzman saw it otherwise. First, her shrill cries on the House floor forced the reorganization of INS to deal with this new-found problem, 40 years after the war's end. By 1979, Holtzman's hoax had successfully forced the creation of an entire new unit at the Justice Department, the Office of Special Investigations. Although it dealt with civil immigration matters, the unit was placed under then-Criminal Division director Philip Heymann, at Holtzman's insistence, and under the personal direction of Deputy Assistant Attorney General Mark Richard. Former OSI chief Alan Ryan praised Richard as doing more than anyone else to create the unit.

What is unique about OSI is not simply that its formation was only justified by a Soviet propaganda hoax. It is also the only Justice Department unit solely dependent on Warsaw Pact "evidence" for the targeting of U.S. citizens. For such

reasons, OSI officials, including the unit's overseer, Mark Richard, are constantly traveling to the U.S.S.R., or allied countries, to meet Soviet "prosecutors" and other intelligence officials.

This aspect of the OSI would not have come to pass except for a 1974 decision by Secretary of State Henry Kissinger to authorize the U.S. State Department to approach the Soviet Foreign Ministry on the subject of U.S.-resident "Nazis." The decision was taken two weeks after Watergate forced President Nixon from office. On Jan. 7, 1976, Kissinger drafted a memorandum ordering expanded official collaboration with Soviet authorities regarding their accusations against U.S. citizens. Attorney General Edward Levi simultaneously ruled that the Department of Justice would accept Soviet "evidence" against Soviet targets.

This Kissinger-Levi operation was prepared as far back as 1971, when Harvard law professor Alan Dershowitz, a Holtzman crony, traveled to Moscow to meet with the Soviet Procurator General's (prosecutor's) office, allegedly on issues of Jewish prosecution. Dershowitz's team, which included several local and federal prosecutors, reported back to Kissinger upon their return. The team, which went to Moscow several times, functioned as a Kissinger back-channel relating to the disastrous SALT talks.

Beginning in 1974, Holtzman, fresh from her victories in Watergate, began regular travels to Moscow to meet with the same office on "Nazis."

Why Holtzman? Her mother, Filia Holtzman, the former chairman of the Hunter College Russian Department, had gone on several pilgrimages to Russia to study Bolshevik cult writer Maxim Gorky. Holtzman herself had been a leader of the Brooklyn anti-war movement in the 1960s, around the time that Brooklyn College Law School graduate Mark Richard was joining the Justice Department. And finally, Holtzman had been Ramsey Clark's law partner in New York.

Not everyone at the State Department, or throughout the U.S. government, was naive as to the implications of Kissinger and Levi's decisions. Faced with Holtzman's demands to collaborate with Moscow back in 1974, State Department official Linwood Holton protested, "Our only recourse would be to request the Soviet Ministry of Foreign Affairs to locate alleged eyewitnesses. . . . [But] we would have no way to verify the credibility."

Holton's worries came to pass beginning in 1979, when Mark Richard began driving U.S. citizens out of the country based on Soviet charges, including SDI missile scientist Dr. Arthur Rudolph. Not accidentally, one of the main figures demanding such expulsions, was anti-SDI activist Ramsey Clark, who has regularly traveled to Moscow to meet with Soviet officials targeting American citizens, including Lyndon LaRouche. (Any investigator could have predicted the where-and-when of U.S. legal actions against LaRouche, simply by examining the attendance roster and timing of such Moscow events.)

*To be continued.*

# The Dukakis universal health care plan: misery for all

by Linda Everett

When Massachusetts Gov. Michael Dukakis signed his universal health care program last April, he simultaneously buoyed the hopes of that state's uninsured and threw out a campaign promise to impoverished voters nationally. But the campaign bait is beginning to smell. The governor's "health care for all" plan will ravage the state's medical system, from its hospitals to its doctor pools, and most directly, its patients. The only people actually to benefit will be the gnomes of the insurance cartel.

The Health Security Act mandates for basic insurance for every resident by 1992, either through their employers' use of new tax incentives or through the new Department of Medical Security. The uninsured would be required to pay about 25-30% of the cost of insurance on a sliding scale, according to what they earn. By 1992, companies will be required to pay a surcharge of about \$1,680 a worker for the state's insurance plan, or deduct the cost of the company's insurance plan from the surcharge.

Most companies, already faced with premium hikes of 100% to 200% or more, are making drastic cuts in health benefits, and smaller businesses say they will be forced to fold if mandated to provide employee insurance. That means lost jobs. The unemployed, those above the federal poverty line and therefore not eligible for Medicaid, are also promised coverage.

Those are the promises, here are the facts.

Dukakis signed the Health Security Act in April, committing \$8.5 million in funds to reimburse hospitals for the costs of treating the uninsured. By July, Dukakis had axed over \$7.5 million out of the state budget earmarked for the uncompensated care fund and refused to authorize \$1 million for uncompensated care to community health centers. Another \$50 million promised to hospitals for their shortfall due to Medicare's underpayment, never even made it into the budget. By September, the "health care for all" program that promised coverage for the state's 600,000 uninsured, had enrolled just 6,000 people.

The aim of the plan, dubbed the "Massachusetts Experiments," is cost and care containment. As such, it is no experiment at all, given the disastrous impact of cost-effective "medicine" nationally. As written, the state's plan is to "en-

roll individuals in managed health care plans wherever practicable," and "establish phase-in initiatives . . . designed to test . . . *alternative* methods of providing health insurance plans, particularly managed health care plans, to persons lacking health insurance."

The key here is "managed care." Instead, of traditional fee-for-service health care, the poor will be assigned a "gatekeeper" who controls their care. The state will broker for the cheapest deals possible, using health maintenance organizations (HMO), preferred provider organizations, and managed health care plans. Fierce competition for the shrinking patient pool will force hospitals and doctors to accept lower rates, to chisel and cut corners, eventually closing—despite Lloyd Bentsen's promise to save rural hospitals.

This "shake-out" is intended and planned. While Medicare, Medicaid, and Blue Cross/Blue Shield control costs by underpaying hospitals and physicians for patient care, Dukakis's plan, like the national health programs of Britain, Canada, and Sweden, hinges on controlling costs by *restricting access* to health care. Your medical care is "managed" by a physician who acts as a gatekeeper, deciding if you need a specialist or test, while intent on saving money, not you.

The aim here differs only in method from Dukakis's self-described meat-ax approach to gutting mental health and related social welfare services during his first administration.

His second administration had thousands of unprepared mental patients deinstitutionalized or dumped into what has been described as rat- and roach-infested "resident homes" complete with exposed plaster board and little furniture. An untrained and uncertified staff worked 100-hour weeks for 40 hours of pay and were expected to administer medicine, hunt down retarded patients who turned to alcohol or to the streets, and stay up all night with physically ill or violent patients. The staff was told: No matter what the crisis, the patient will not be returned to the facility.

Now, not only is the governor holding up funds for a five-year plan to overhaul the state's mental institutions—where nine patients died last year because of lack of care—but his universal health plan bodes similar horrors for the tens of thousands of other state residents who have emotional disorders or psychological problems severe enough to warrant

professional attention.

The new Department of Medical Security was “to provide, on a basis calculated to reduce or contain the costs of the program, a program of insurance coverage for health care for persons in the Commonwealth.” The only way you can reduce costs of health care for the currently uninsured who already get some charity care in Massachusetts hospitals is to block *access* to that care. “Managed care” programs do this so successfully with mental care services that attorneys, therapists, and psychiatrists nationally are protesting against HMO and managed care restraints on mental health benefits.

Dukakis’s Health Security Act specifically states that HMOs and insurers “shall include any mandated benefits . . . required by law.” HMOs only offer federally required mental health benefits, which include 20 therapist visits per year and 30 days hospitalization per year. If the HMO says the visits are not useful, or the condition is chronic, they are cut. In lieu of hospital care, families must watch a suicidal relative around the clock, taking all night walks to calm hysterical patients, and then go to work in the morning.

Last year, 20 professional mental health groups issued a warning against exactly this HMO policy. Psychiatrists have spent hours on the phone trying to convince social workers who admit no knowledge of the field that treatment for a certain patient is needed. Ultimately, the frustrated psychiatrist is unable to deliver care and the vulnerable patient, too intimidated to fight for his treatment, regresses. Cost-cutting is achieved.

Similar duplicity is evident in another facet of the Dukakis plan, the “Healthy Start” program. In September, the Duke trotted out his pregnant daughter-in-law and promised to give every child in America “a healthy start in life, and a fair shot at the American dream” via his \$100 million program to ensure medical and nutritional care for expectant mothers. Behind the hoopla lay reality: During Dukakis’s second term, Massachusetts experienced a massive 46% increase in black infant mortality rates. According to the Washington, D.C.-based Children’s Defense Fund, in 1985, Boston’s black infant mortality rate rose by 73%, while the black neonatal mortality rate for the state increased by 59%!

### Putting physicians in a vice

Beyond Dukakis’s promises, not even his staff can say what the plan will deliver. But the governor’s own track record reveals why voters, especially physicians, are incredulous at the presidential candidate’s promises. The Duke used “consumer” advocacy and the venomous cost-containment policies of Massachusetts’ Blue Cross/Blue Shield to “take out the knives” against the state’s medical profession in general. For the last decade, he mandated that Medicare, Blue Cross/Blue Shield, and workmen’s compensation reimburse physicians at only 70%-75% of what doctors normally charge. Blue Shield demanded that physicians accept their underpayment as payment in full. Dukakis made this policy

state law and applied it to Medicare payments as well. Doctors could not, in turn, bill patients for the balance of the charge which Blue Shield did not cover.

A Massachusetts court ruled Blue Shield’s ban on “balance billing” illegal, but Dukakis’s legislature ignored the court, and made the balance billing ban state law—the only one of its kind in the country. Using a “locked-in” agreement, Blue Shield would only pay for treatment their subscribers received from physicians affiliated with Blue Cross/Blue Shield. Physicians not affiliated with Blue Cross/Blue Shield lost many patients, while doctors wanting to quit the insurer must wait a full year after announcing their intentions. Recently, State Attorney General James Shannon indicted a number of Massachusetts physicians for discussing their decision to quit Blue Shield among themselves. This, says Shannon, who gives campaign speeches for Dukakis, constitutes a conspiracy.

The other arm of the vice squeezing physicians and hospitals is state-condoned increases in malpractice insurance premiums. When commercial carriers of the medical malpractice insurance left Massachusetts en masse in 1975, the Dukakis-led legislature created the Joint Underwriting Association (JUA), a semi-independent state agency making insurance available via a pool of physicians’ premiums. In 1986, the JUA approved 50% and 60% back-to-back retroactive liability rate increases for 1983, 1984, and 1985. The legislature allowed physicians to defer these sizable payments at an 11% interest rate. Blue Shield and Medicaid promised physicians tiny increases in reimbursements to offset the new premium rates. For 1987-88, the Insurance Commission raised the rates again. Obstetricians-gynecologists, for instance, paid a 155% increase for that year alone.

For 1989, the JUA wants yet another 45% increase, retroactive from 1975 to 1982. The secretive agency, which produces no annual reports, bases its rates on the number and size of malpractice suits *initiated*, not on those actually awarded. So, it has a huge pool of reserves available for investment—and makes millions in interest.

The result is that physicians are either eliminating or limiting their surgical services, accepting no new patients, moving out of state, or taking early retirements. Although the Duke’s pet consumerist, Paula Gold, claims the state has a glut of doctors, 90% of hospitals are having difficulty recruiting them. One hospital has 30 vacancies. Of the state’s orthopedic graduates this year, only one will practice there next year—and only one neurological resident will remain next year, and then, only to work in an academic position.

The massive premium increases also affect those hospitals that pay for their physicians’ insurance. The increases are built into the hospital charges, which must be generated or the Department of Medical Security, headed by James Hooley, better known as “that Jack Ass Hooley” from his days at the Department of Public Health, will move in to shut the hospital down.

# Air Force Intelligence experts aren't buying Gorbachov's glasnost

by William Jones

Although the Liberal Establishment is still shouting its hosannahs over President Mikhail Gorbachov's "reforms," there is evidence of a growing concern within the intelligence community over the nature and possible consequences of these reforms for the Soviet Union and the rest of the world. This concern provided a backdrop to the occasional outbursts of enthusiasm and admiration over Gorbachov's endeavor, expressed at the Air Force Intelligence Conference on Soviet Affairs, held Oct. 19-22 in Arlington, Virginia. The conference, entitled "The Soviet Union—Toward the 21st Century: Political-Military Affairs in the Gorbachov Era," brought together Kremlinologists from academia and the intelligence community, to address a predominantly military audience.

In spite of the different viewpoints expressed by various speakers, this observer was struck by the fact that much of the analysis of Soviet military posture elaborated over the years in *EIR*, and particularly by its contributing editor Lyndon LaRouche, is now becoming an integral part of the analysis of the intelligence community, in particular with regard to the role of the circles associated with Marshal Nikolai Ogarkov. When Ogarkov was transferred from the post of Chief of the General Staff to take charge of the newly created Western Theater of War, many Sovietologists claimed that he had been "demoted and disgraced." In July 1985, *EIR*'s Special Report, "Global Showdown: The Russian Imperial War Plan for 1988," showed that the Ogarkov Doctrine provided the underpinnings of Soviet military policy, and that Ogarkov's "demotion" was simply an attempt to mask his real significance.

Several speakers warned against disregarding the continued influence of Ogarkov. In one forum dealing with "Perestroika and the Soviet Military Leadership," an analyst from the Strategic Air Command, Linda Urrutia, explained how the Soviet military since 1947 had experienced changes in roughly 10-year intervals. From 1967 to 1977, it was Marshal Andrei Grechko pushing for modernization. From 1977 to 1987, including the momentous reorganization into theater commands in 1984, was the Ogarkov period.

Urrutia cited unconfirmed reports, that Ogarkov is the first deputy commander of the Strategic Nuclear Forces, and in this capacity, as probable nuclear release authority, he would not be subordinate to Chief of Staff Marshal Sergei

Akhromeyev. Urrutia thought that Ogarkov was probably reporting directly to the Soviet Defense Council, the highest military body in the Soviet Union, or to Gorbachov personally. One speaker commented, "If any changes were to be made in the Soviet nuclear triad, then Ogarkov would be the ideal person to lead it." Panel chairman Richard Woff, from the Royal Military Academy at Sandhurst, United Kingdom, observed that Ogarkov will continue to have commanding authority in the redefinition of Soviet doctrine, in the forthcoming new edition of the *Soviet Military Encyclopedia* and elsewhere.

In a forum entitled "Civil-Military Relations Under Gorbachov," State Department analyst Dale Herspring commented, "Ogarkov changed the way the Soviets look at things." Herspring suggested that it was in fact the Soviet military who were most likely formulating Soviet arms control proposals. "Why, Akhromeyev is probably the author of the INF agreement," said Herspring.

There were occasional expressions of approval for the Gorbachov reforms. Some speakers tried to portray a dichotomy between Gorbachov and the Soviet High Command; Robert Blackwell from the CIA commented that the Soviet military "probably gets its way less now than ever before. . . . I wouldn't overemphasize the consensus of the military on the INF and on-site inspection. They were probably pushed into it."

It was also apparent that Soviet-U.S. military exchanges have had some of the psychological effect desired by Moscow in reducing the "enemy image" of the Soviets. One Air Force colonel waxed euphoric about how Defense Minister Dmitri Yazov "really cares about his men," adding that even the more formal Akhromeyev, after his recent tour of the United States, "bubbled over, in his way." Despite signs of such wishful thinking, the conference was characterized by an atmosphere of caution and sobriety with regard to any major changes in Soviet offensive posture.

## Moscow's spetsnaz capability

The panel on the Soviet special forces commando teams, the spetsnaz, although it presented many items of interest, left much to be desired in terms of an analysis of the spetsnaz capability in a situation of irregular warfare. The major dis-



cussion was the capability of spetsnaz when deployed with other diversionary units in a war theater, e.g., Afghanistan. Sergei Zamascikov from the RAND Corporation discussed the historical development of Special Operations, which began during the Russian Civil War. Long-time Deputy Chief Mansurov of the GRU (military intelligence) service began his career conducting operations behind enemy lines during the Finnish Winter War and later outside Leningrad. He was in charge of operations during the Spanish Civil War.

A full resumé of Mansurov's career—particularly its early years—has not yet been made public, perhaps, surmised Zamascikov, in order to guard trade secrets. The Finns had successfully used special operations against the Soviets during the Winter War, and the Soviets were quick to learn from that experience. But the regular deployment of such operations did not come, said Zamascikov, until 1942, after which they were institutionalized.

Gordon McCormick from RAND Corporation presented a paper on "Soviet Special Operations in Sweden," which more directly indicated the possible function of spetsnaz in the period immediately preceding the outbreak of hostilities. McCormick detailed how 125 Swedish pilots had been visited at their homes by Russians posing as Polish art-sellers, most likely for the sake of profiling their living conditions. Swedish military authorities had considered this an intelligence surveillance in order to set these pilots up for assassination immediately before a Soviet attack. This would represent a capability to sabotage the very deployment of a country's military forces. He indicated that many East Europeans had suddenly started showing up outside military installations.

McCormick pointed out that 1987 was also the year with the greatest number of submarine incidents reported. The purpose of the operations was to target the mobilization system, so that mobilization doesn't begin. This gave rise during the discussion period to the question of the possibility of the Soviets deploying spetsnaz operatives long before the outbreak of hostilities, to be in place to conduct assassinations and sabotage immediately prior to an attack.

### 'Reasonable sufficiency'?

There was also a great deal of skepticism expressed concerning the Soviets' claim to have switched to a new doctrine of "reasonable sufficiency" or "defensive defense." Benjamin Lambeth of the RAND Corporation referred to one Soviet official, who asserted that the Soviet policy has been defensive since 1918!

The Soviet concept of "defense," many speakers documented, subsumes not only the notion of a counter-offensive, but also preemption. Lambeth quoted Gen. Ivan Tretyak, the chief of Soviet Air Defense, who said that "the Soviets must be well-versed in the art of attack." Jamie McConnell, from the Center for Naval Analyses, summarized how Gen. Col. Makhmut Gareyev conceives of active defensive moves lead-

ing to "a counteroffensive, which then turns into a general offensive." Edward Warner III from RAND commented that the "Soviets are better prepared to launch blitzkrieg operations today than ever before."

A panel on Soviet theater forces allowed analyst Notra Trulock to demonstrate the Soviets' intention to achieve improved numerical superiority ratios through their "defensive defense" reorganization, and their "reevaluation of defense as an opportunity to *preempt* the attacker's preparations for an offensive." Sally Stoecker of RAND gave quotations from Soviet military journals, whose description of "active defense" is indistinguishable from their words on the offensive. These writings contrast with reports on the "new doctrine," written by Soviet spokesmen for Western consumption, she remarked.

In a forum on the Soviet machine-building sector, some of the more far-ranging aspects of *perestroika* were brought to light. The Soviet defense industries, which comprise nine separate ministries, are characterized by higher efficiencies and greater productivity than the civilian ministries. John Gore of the Defense Intelligence Agency noted that Gorbachov, in pursuing his modernization program, was looking for help from 1) Eastern Europe, 2) the West, 3) a reallocation of internal civilian resources, and 4) the defense industry. He noted that there was evidence that Gorbachov was attempting to utilize capacity in the defense industries for civilian production, preferably without infringing on present production quotas for the defense industry itself.

James Steiner from the CIA noted that the Soviets, through an extensive acquisition process in the West, often incorporate weapons into their systems, while they're still at the experimental stage in the West. The Soviets, said Steiner, have done well in integrating their firing systems, but they are having problems with guidance systems. They have become extremely high-tech in their metals-processing industry, but remain behind in computers and control techniques. Gorbachov has attacked Soviet science for being too slow, and is presently shaking up the Soviet Academy of Sciences to accelerate the development of scientific research. Gorbachov's reform program involves six components: 1) the modernization of industry; 2) economic reforms; 3) the establishment of Interbranch Scientific-Technological Complexes, which would develop and bring on line new technologies to be disseminated over numerous branches of industry; 4) reforming the Academy of Science; and 5) gaining access to foreign technology, especially computers and electronics.

In at least one panel, the fact that Soviet economic difficulties make the U.S.S.R. more dangerous, not less, was introduced. Edward Luttwak of the Center for Strategic and International Studies remarked that reports of Soviet "pessimism" regarding the industrial base of its military, and other capabilities, had sinister overtones. "The strong country doesn't make war," he said, "but the failing one, before its winning capability melts."

## Gates catalyzes intelligence fight

Following the speech given at the Association of Former Intelligence Officers by the Central Intelligence Agency's deputy director, Robert Gates, a wild factional struggle within the intelligence community has broken out. This eruption of factional warfare centers on the evaluation of what is going on in the Soviet Union, and whether the United States should finance a loan package similar to the one a consortium of Western European and Japanese bankers recently announced.

Gates's statement to AFIO and subsequent statements by CIA director William Webster indicate that the professional intelligence establishment and the Department of Defense do not want to move ahead with such a financial package.

Gates echoed independent Democratic presidential candidate Lyndon H. LaRouche, Jr.'s evaluation of what happened in the recent Soviet leadership shakeup, in which the "Andropov Kindergarten" consolidated its power and has not changed its essentially aggressive military and intelligence policy. Gates and his particular factional grouping remain skeptical over Gorbachov's intentions.

Immediately after Gates's speech, the financial powers behind James Baker III launched a counterattack, according to U.S. intelligence sources. Baker, the campaign manager of Republican presidential candidate George Bush, is the policy-architect of the loan package to the Soviet Union, a policy which Baker set into motion during his tenure as Treasury Secretary. Baker, in anticipation of Bush's election victory, has forged an alliance among various intelligence community factions based on his financial package. Baker has assured many of the supporting characters that everyone will get a piece of the action.

One of the key players in this operation is former CIA Deputy Director Ray Cline. Cline is attempting to build a financial base of power and sees Baker as a natural ally. Even though there are intense disputes between Cline and Baker on Mideast policy vis-à-vis the role of Israeli intelligence, Cline is supporting Baker's effort. Moreover, Cline, whose operations have historically centered on the old-style right-wing CIA apparatus through Taiwan and the World Anti-Communist League (WACL), has instead promoted the ac-

commodationist line along with the State Department on practically all "regional matters" negotiations between the United States and Russia.

Cline, utilizing many of the assets of former CIA Director William Casey's apparatus, is building up his relationship to the highly dangerous and secretive Ted Shackley network. Although seriously damaged by the Iran-Contra scandal, Shackley's operations are still moving ahead. In fact, Shackley's confederate, Albert Hakim, who was indicted in the Iran-Contra scandal, is currently in South Korea, from where he is seeking to sell weapons to Iran.

The Baker-Cline-Shackley arrangement has been integrated into the overall gameplan of the Project Democracy operations in Asia, Africa, and Latin America. With aid of the left-wing British banking and intelligence operations exemplified by Tiny Rowland's global Lonrho capabilities, the so-called right-wing CIA is being played by the Anglo-Soviet Trust. From Burma to the Philippines into the bush of southern Africa, this network is hoping to use its influence as leverage in its struggle to come out on top of the factional situation after the Bush election victory.

Then there is the Kissinger crowd, which has lined up against the soft-headedness of the Baker-Cline network. Kissinger, who has attacked the Western elites for being sucked into the Andropov-Gorbachov deception game, is on the outside of the Bush campaign apparatus. The Bush campaign apparatus is in fact already becoming the "transition team," and for the first time in many years, Kissinger finds himself scratching at the door for a job. Kissinger is hoping that the editor of the Council on Foreign Relations' *Foreign Affairs*, William Hyland, gets the National Security Adviser post, since Hyland owes his post-CIA career success to the patronage of Kissinger. However, the military and intelligence professionals are looking for Bush to keep President Reagan's National Security Adviser Gen. Colin Powell.

The next major area of contention is who will be the next CIA director. Rumors abound that the present ambassador to South Korea, James Lilley, is first in line. Lilley, a career CIA official, was the station chief in Beijing when George Bush headed the Liaison Office, before full diplomatic relations were established. Lilley subsequently became the station chief in Taiwan before his present post. However, according to U.S. intelligence sources, Lilley's appointment might precipitate a complete eruption of factional warfare.

To avoid this potentially devastating factional conflict, the present CIA director, William Webster, will remain during a Bush presidency, say sources. At this time, it is not clear in which direction either Webster or Lilley would go concerning dealings with the Soviets.

In any case, Gates's outspokenness has unleashed a faction fight within the intelligence establishment, and although Gates himself may not survive the factional warfare, he has opened the Pandora's Box that only Lyndon LaRouche had dared address before.

# KGB behind attacks on Bush supporters?

by Ralph de Toledano

Were the KGB and the “dirty-tricks” division of the Dukakis campaign behind the attacks on Fred Malek and others working for Vice President Bush as “anti-Semites” and “fascists”? Was John Sasso, who was fired from the Dukakis team for dirty work at the crossroads and reinstated when the Massachusetts governor’s political fortunes began to decline?

There is no doubt that John Sasso fed a scurrilous “document” to *Washington Jewish Week* and to others in the media. There is no doubt that the *Washington Post* picked up the *WJW*’s story and ran with it. Fred Malek and others who worked with Ukrainian and other ethnic groups were forced to resign—and the leaders of those groups felt that they had been betrayed by the Bush campaign.

It is taken for granted that the attack on Malek was aimed at hurting Vice President Bush with Jewish voters and irritating ethnic leaders. But a careful study of the facts proves that the attack was begun by the KGB in Moscow, picked up by the Dukakis campaign, and has as its target of smear the entire Republican and conservative movement in the U.S.

The attack is based on a “document” prepared by one Russ Bellant with the aid and encouragement of Chip Berlet, a pro-drug-use propagandist who is concerned that the Reagan administration will take cocaine away from his buddies. It attacks as “fascists” and “anti-Semitic” everyone in the Reagan administration on whom it focuses, from the President down. Tarrred and feathered in this report are the Republican National Committee and its ethnic councils, Republican senators and congressmen who defeated Democrats, almost every conservative and anti-Communist organization in the country, groups whose sin is that they are fighting for a strong U.S. defense and a stronger U.S. foreign policy, and individuals whose only sin is that they have fought communism or criticized liberalism and the labor movement.

It is all done with mirrors and with guilt by amalgam. If you were ever seen saying hello to those labeled “anti-Semitic” in this study, you are stone-cold dead. The title of the document in which the preliminary attacks were made is, “Old Nazis, the New Right, and the Reagan Administration: The Role of Domestic Fascist Networks in the Republican Party and Their Effect on U.S. Cold War Politics.” That, of course, is the key. The crime of all the organizations and of all our Ukrainian-Americans, Polish-Americans, and others

of Eastern European affiliation is that they are opposed to the Soviet conquest and rape of their countries. Reading the “document,” one comes to the conclusion that anyone of Eastern European origin is a potential murderer out to destroy the U.S.

What are the basic sources of the material in this “document”? 1) The KGB’s disinformation apparatus, 2) the Anti-Defamation League which for years followed the communist line and suppressed all evidence of Soviet official anti-Semitism, and 3) Group Research, a clip-and-smear outfit preparing dossiers against anyone not appreciated by the its left-wing labor masters. Interestingly, the first shot in this anti-Bush campaign was fired in KGB headquarters in Moscow.

The methodology of the attack is the same employed by the *In Fact* newsletter—edited by George Seldes in the late 1930s and 1940s—and by the *Daily Worker* and the *New Masses*—innuendo, out-of-context quotes, flat statements based on no evidence, and the amalgam. In addition, to support a candidate who takes pro-defense and anti-Communist positions is not only reprehensible but, according to the Berlet-Bellant document, signs of blatant anti-Semitism. Catholics, Jews like the respected University of Chicago economist Milton Friedman, and other sinners are tarred by the same brush. *National Review*, *Human Events*, the Reverend Moon and his followers, respected public servants, publishers of distinguished books—these are tarred with the “fascist” and “anti-Semitic” brush. If you ever said a word against the Democrats or defended constitutional freedoms, watch out!

Interestingly, not a word is said about those anti-Semitic individuals and instrumentalities in the Democratic Party—the Rev. Jesse Jackson and the reign of terror his friends and associates have launched against Jews in Chicago. Or the “little Holocaust” mounted by the Sandinistas in Nicaragua. To the Berlet-Bellant-Sasso axis—and the KGB—these don’t really count.

Well, if I were in charge of the Bush campaign, I would put a copy of the Berlet-Bellant-Sasso document in the hands of every ethnic leader so that he would realize what the Dukakis people think of him and his followers. If this document were so circulated, with an account of who is behind it, Michael Dukakis and the Democrats would not get a single vote from Ukrainian-Americans, Polish-Americans, and other Eastern and Central Europeans in this country. They suffered under the Nazis as well as the Soviets, so they would not take kindly to be being described as murderous fascists.

I would also circulate it among those who believe that patriotism is not something to be ashamed of—one of the disguised themes in the document. And I would also put the writings of Chip Berlet on drugs into the hands of those who see the devastation that it is causing the country.

But that is a job for the media—and since most of the national press and TV is committed to the Democrats, I doubt whether the public’s “right to know” will get any exercise.

# Elephants & Donkeys

by Kathleen Klenetsky

## State lawmakers rebel against Duke 'miracle'

Democratic presidential candidate Gov. Michael Dukakis's vaunted "Massachusetts miracle" got a strong kick in the teeth on Oct. 25, just two weeks before the presidential elections. The Massachusetts House, which had come back into session in open defiance of the governor's wishes, voted to override his controversial veto of \$91 million in state and local aid.

The House voted against Dukakis by a whopping 85-68, just 17 votes shy of the two-thirds majority required by state law to overturn a gubernatorial veto.

Nevertheless, the House action proves extremely embarrassing to Dukakis, who has bragged constantly about his "Massachusetts miracle" during the presidential campaign.

The House session, which was broadcast live by C-Span cable television network, was punctuated by strong denunciations of the governor, many of them coming from fellow Democrats. At one point, Rep. John Flood, the Democratic chairman of the tax committee who had led the drive to get the House to reconvene before the Nov. 8 national elections, compared the Dukakis administration to a rock star who sings, "Be happy . . . Don't worry," backed up by his brothers 'Bob' and 'Weave.' "

Another Democrat, Rep. Richard Voke, chairman of the House Ways

and Means Committee, compared Dukakis's local aid cuts to "cutbacks in revenue sharing by the Reagan administration."

## Dukakis vows war on 'overpopulation'

Democratic presidential candidate Michael Dukakis has vowed to declare war on "excess" population growth, targeting especially non-whites in the Third World, once he gets into the White House.

Dukakis made this promise in a statement which he issued earlier this year, in response to a request from the Washington, D.C.-based Population Institute for his position on population and environmental issues.

Dukakis promised to overturn the Reagan administration's "Mexico City policy"—a reference to the administration's decision not to allow U.S. taxpayers' funds to pay for the mass abortion and sterilization activities carried out by the United Nations. Dukakis said that, if elected, he will put "overpopulation," and "economic degradation" at the top of his policy agenda.

"I strongly believe that in years ahead we will cease to think of" issues like overpopulation and "global warming," as purely domestic, but as "overarching concerns on a par with defense and foreign policy," Dukakis wrote. "Future Presidents will need to understand" the "direct relationship between overpopulation and economic development," and act to bring down population growth.

Asserting he would be such a President, Dukakis went on to promise that he would make the United States once again a leader in the war on population (like Jimmy Carter, he might have added: The Carter administration issued the infamous *Global 2000* report calling for a cut of 2 billion in expect-

ed world population by the year 2000).

Dukakis's statement could have come straight from the Club of Rome, or one of the other fanatical zero-growth outfits which have sprung up like poison mushrooms over the past 20 years, and whose preachings about the need to kill off billions of people in the developing sector in order not to waste the Earth's resources have been discredited by one scientific study after another.

Dukakis's embrace of the neo-malthusians' genocidal campaign—a campaign which has already killed more people than Hitler's drive to eliminate "useless eaters"—gives a vivid indication of just how close to the fascist mentality he comes.

The population control lobby expects great things of a President Dukakis. Population Institute President Werner Fornos told a reporter that Dukakis would have "great opportunities" to promote population control, although he did express dismay that the Duke hadn't made a bigger issue of "overpopulation" on the campaign trail.

That's hardly a surprise. Cynical hypocrite that he is, Dukakis realizes that the black and Hispanic voters he's desperately trying to court, know that "population control" means genocide against those whom Dukakis's backers in the Eastern Establishment consider "less desirable elements," i.e., the poorer and non-white people of the developing sector—and of this country.

His administration has also dipped into state pension funds to cover up its financial mismanagement. On Oct. 25, Massachusetts State Treasurer Robert Crane admitted that he may be forced to raid the pension fund again to pay short-term bills. The week before, the state treasurer admitted he has grabbed \$650,000 in "loans" from the state's pension fund to cover the shortfall.

## The pitfalls of the 'conservative' ideology

The Heritage Foundation's Ben Hart, author of a new book, *Faith and Freedom: The Christian Roots of American Liberty* (Dallas: Lewis and Stanley, 1988), revealed the basic flaws of what passes for American "conservative" ideology, during a forum on his book here Oct. 26.

The book was presented as an effort to correct the thesis of some "evangelical" zealots, published in a number of books in recent years, that the American Revolution and U.S. Constitution had nothing to do with "real Christianity," but were the work of "secular humanists."

According to the "evangelical view," true religion and the state, even a constitutional republic, are incompatible, a view which justifies a mixture of fatalism about "this world," and an anti-government bias.

Compared to this "evangelical" view, Hart's book attempts to document the link between faith and the founding of the American republic.

However, the book raises many more questions than the author, either in his book or in person, is prepared to answer. In some telling cases, he is downright wrong.

The most obvious question is, "What *kind* of faith was coherent with the principles upon which the U.S. Constitution was based?" This could not be just any faith. But to answer this question in a serious and scholarly way, Hart would have had to undercut his own ideological bias, so he effectively ducked the question, claiming to treat his subject not as a theologian, but as a journalist.

So, he addressed the question only in terms of the Puritan rejection of ecclesiastical authority. This practice, he argued, led the Founding Fathers to reject the authority of the British Crown when that became overbearing, and to draft a Constitution whose intent was to limit the influence of the state over individual liberties.

For this reason, Hart said, the Founding Fathers were not liberal "secular humanists," but were rather "conservative" Christians.

Liberals, he argued, believe that man is "basically good" and can be perfected through education, and therefore, put faith in the state to achieve that end. Conservatives, on the other hand, believe in the "fallen state" of man as a sinner, and therefore prefer protections against any man or group of men gaining power over others through government.

"Conservatives," he said, "have a pessimistic view of human nature, and therefore view the state as evil."

In discussing the Constitution, he focused almost entirely on the First Amendment, which has served as the basis for the doctrine of the separation of church and state. He claimed that the issue of the separation of church and state had its roots in Roger Williams's expulsion by the Massachusetts Bay Colony, and was asserted to protect religion from the state, and not vice versa.

## A rigorous perspective

Still, Hart wound up as a strange bed-fellow of the very American Civil Liberties Union that he hates so much, because of his inability to define, rigorously, the substance of the faith that informed the principles in our Constitution.

For this he would do better to turn to the truly original work contained in

Graham Lowry's *How the Nation Was Won* (Washington, D.C.: EIR, 1988).

In this work, for the first time, the seminal influence of Gottfried Wilhelm von Leibniz (1646-1716), the great scientist, inventor, political counselor and theologian, on the Founding Fathers is documented. Here, it is established that Leibniz corresponded with John Winthrop, Jr. of Massachusetts and Gov. Alexander Spotswood of Virginia, and that his ideas animated the circles that Benjamin Franklin was introduced to in his youth.

Therefore, as an example, if one studied Leibniz's *Theodicy*, on the coherence between faith and reason and the origin of evil, he would have a good epistemological grounding in the kind of faith that informed the framers of the U.S. Constitution.

Such study, for one thing, demolishes the long-held fallacy that John Locke and the British empiricists were the intellectual antecedents of the Founding Fathers, because Leibniz violently clashed with Locke's bestial view of human cognition with a point-by-point rebuttal of Locke's *On Human Understanding*.

Leibniz was an intellectual enemy of the leaders of the so-called Enlightenment, those who could truly be called "secular humanists," like Voltaire, Rousseau, and Locke, who defended the oligarchy's degraded view of man.

But on the other hand, Leibniz did not hold to the doctrine of the "depravity" of man. While addressing the reality of evil, Leibniz maintained that through the nurture of those qualities in man that are "created in God's image," namely, his power to reason, man could play a role in increasing the good.

For Leibniz, government is not inherently evil; only government by slaves of evil is.

## Congress passes drug bill, then adjourns

The 100th Congress adjourned early on the morning of Oct. 22 after enacting a \$2.8 billion anti-drug bill and legislation to correct errors in the Tax Reform Act of 1986. Final approval of the omnibus drug bill came on a voice vote in the Senate at 3:15 a.m., shortly after the House had approved the same measure on a 346-11 vote.

The drug bill includes tougher criminal penalties, additional money for federal and local law enforcement and for drug interdiction efforts by the Coast Guard and Customs Service, higher funding levels for education, treatment and rehabilitation programs, and a new federal effort to discourage casual drug users through civil fines and the denial of federal benefits.

The measure also includes a new federal death penalty in cases where killings are committed or ordered by members or leaders of drug rings, or when a police officer is killed during a drug-related felony, and in cases where killings occur during serious drug felonies. As the session drew to a close, many of the congressman had already headed home to try to secure their seats for the next Congress.

## ABM Treaty under fire in Senate

In comments on the floor of the Senate on Oct. 18, Sen. Steve Symms (R-Idaho) gave his support to Sen. Jesse Helms's (R-N.C.) call for a U.S. withdrawal from the Anti-Ballistic Missile Treaty.

"Despite the fact we know that the Soviets have a 95% effective system around Moscow and that the Soviets have built a nationwide infrastructure of ABM radars, interceptor rockets,

communications system, and have trained ABM personnel, the United States is still abiding by this violated, worthless document," said Symms.

In a related development on Oct. 14, the Senate Republican Policy Committee, headed up by Sen. William Armstrong (R-Colo.), issued a report entitled "Soviet Violations and the Future of the ABM Treaty."

The report indicates total failure of the treaty in realizing its alleged aims: 1) it has failed to restrain the Soviet offensive ballistic missile build-up; 2) it has not provided the environment for offensive force reductions; 3) it has not prevented the Soviet Union from establishing a base for a national or territorial ballistic missile defense; and 4) it has not alleviated the vulnerability problem of U.S. strategic forces.

"The ABM Treaty has been so ineffectual in preventing the Soviet Union from developing a defensive capability," says the report, "that the U.S. Joint Chiefs of Staff are said to be against termination of the treaty for fear that the Soviets would be better poised than the United States to deploy a missile defense of their national territory."

The report concludes that even if the Soviets were to dismantle their phased-array radar facilities at Krasnoyarsk, the "future of the ABM Treaty would still be in question due to the extent of other Soviet ABM-related activities."

## Southern African 'peacekeeping' plan blocked

The Senate refused to allocate the transfer of \$150 million from a foreign aid account to a special fund for peacekeeping operations in southern Africa to monitor the regional deal between the Soviet Union and the United States.

The senators wanted assurances

that Angolan UNITA leader Jonas Savimbi's future would be included in any package worked out among Angola, South Africa, and Cuba, with the mediation of the United States.

Seeking to alleviate these worries, National Security Adviser Lt. Gen. Colin Powell wrote Sen. Dennis DeConcini (D-Ariz.) assuring him that the United States would not abandon Savimbi until the Angolan government includes him in a settlement. But the senators remained unconvinced. State Department spokesman Charles Redman said in response to the Senate's decision, "So naturally we're disappointed. . . . We were hopeful that Congress would have authorized this transfer, given the importance to the United States of ongoing peacekeeping efforts in several regions of the world."

## President vetoes Whistleblower bill

On Oct. 26 President Reagan vetoed the Whistleblower Protection Act of 1988, just passed by Congress, which would have given federal workers greater protection from reprisals on the job when they blow the whistle on alleged misdeeds by their supervisors.

In a statement issued by the White House, Reagan said he was not signing the measure, because it was unconstitutional and ineffective. "In withholding my approval of the Whistleblower Protection Act of 1988, I regret that the Congress did not present me with constitutional and effective legislation to expand the protections and procedural rights afforded to federal employees who report fraud, waste and abuse they discover in federal programs," said the President.

The legislation was passed in the aftermath of the so-called Pentagon

procurement scandals. Attorney General Richard Thornburgh, in a prepared statement, said that while the bill "contains some worthwhile elements" which he would like to see introduced in the next Congress, it also contains elements that are unconstitutional.

## **V**eterans Administration gets a Cabinet-level post

On Oct. 18, Congress completed action on legislation that will transform the Veterans Administration into the 14th Cabinet department of the federal government. The change received little support in a study last year by experts of the National Academy of Public Administration. But each chamber gave the bill overwhelming approval, reflecting the lobbying power of the major veterans' organizations in an election year.

The Senate also voted to give veterans their first limited right ever to take disputes over benefits to court and to engage lawyers to press such appeals.

## **W**oodward book was of 'concern' to the CIA

Classified intelligence reported in Bob Woodward's book *Veil* were of "utmost concern" to the CIA. This prompted a lengthy internal investigation, according to a House Intelligence subcommittee report released Oct. 27. The investigation concluded that present and former CIA officials provided classified information to Woodward, and it highlighted the failure of intelligence agencies to address security problems.

U.S. intelligence officials have said that the Woodward book con-

tained top secret details about U.S. covert operations, including ultra-secret underwater and space-based eavesdropping missions, paramilitary programs, and human agent activities. According to sources close to the Intelligence Committee, the agency's internal probe lasted a year and found the leaks to Woodward extremely damaging to U.S. intelligence operations.

In a separate section of the report, five Republican committee members said that "scores" of intelligence leaks pertaining to CIA work were identified in 1987. "We became convinced that even the CIA has displayed a profound lack of interest in policing its own demonstrated problems, especially when these involve prominent officials," the Republicans stated.

## **D**reamworld revisited by Senator Proxmire

Soon to depart from his Capitol Hill environs, Sen. William Proxmire, one of those who deems it an honor to be called a liberal, mustered his harangues from the Senate floor at the military-industrial complex and the billions of dollars that it has been splurging on "useless" defense technology.

"The Soviet Union has been militarily inferior to the United States every year since the end of World War II," said Proxmire. "Somehow, our country has been hoodwinked and hypnotized into the notion that the Russians and their Eastern European allies pose a serious military threat to our country or at least to Western Europe. This is the big lie. We have become the victim of what President Eisenhower so prudently warned us about—the military-industrial complex. . . . A Soviet Union that has just retreated in embarrassing defeat from primitive,

little Afghanistan, after eight years of war, is not going to lead its motley, alienated, economically feeble pact alliance successfully against the best armed and trained troops in military history" in Western Europe.

Any attack on Europe, so Proxmire reasons, would be met by French and British nuclear weapons, and the Soviets know it. Therefore, there is no danger of Soviet moves against Western Europe.

The incredible strategic misjudgment of the departed Neville Chamberlain pales in comparison to that of our Wisconsin senator.

## **M**ove to deny Wright intelligence access

Thirty-six Republican congressmen asked President Reagan on Oct. 27 to withhold intelligence information from House Speaker Jim Wright until it is determined whether the Democratic leader "jeopardized America's secrets" in a recent comment about alleged CIA activities in Nicaragua. The House Ethics Committee is investigating allegations that Wright improperly divulged classified information.

It is unclear how the President could keep intelligence information from Wright, since as speaker, with membership on the Intelligence Committee, he would have access given to other members of the committee.

The accusations stem from a comment by Wright that he had "received clear testimony from CIA people" about an alleged covert operation to provoke a crackdown by the Sandinista regime against opposition groups. Wright has denied that he acted improperly and said his comments were based on publicly available information.

# National News

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## Nixon says Dukakis defeat in the air

"The telltale stench of defeat is in the air" for Michael Dukakis, wrote Richard Nixon in the Oct. 23 *Sunday Times* of London. He pointed out that even Sen. Edward Kennedy (D-Mass.) is giving Dukakis only "token support."

Most Democratic Party bigwigs are "looking after their own interests and letting Dukakis twist in the wind. They are not about to go down in flames with a fatally wounded presidential candidate," he said. The Dukakis people are looking for "scapegoats" for why they are losing, but they can only blame their own "ineptness" and Dukakis's own foreign policy and domestic policy views.

Dukakis "is no Jack Kennedy," wrote Nixon, echoing Dukakis running mate Lloyd Bentsen's crack at Dan Quayle. In 1960, Vice President Richard Nixon was defeated by JFK. "In 1988, many Americans are uncertain about the future. Many families need two incomes to sustain the quality of life they used to enjoy on one. Much remains to be done in the areas of health care, education, homelessness, and the deficit. But Dukakis failed to exploit this uncertainty as effectively as the Republicans exploited his own record. His was a campaign of elites, by elites, for elites, down to the ads that titillated the Cambridge-Georgetown set, but made no sense in Los Angeles, Chicago, or Detroit."

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## Moynihan in new 'stop LaRouche' drive

Sen. Daniel Patrick Moynihan (D-N.Y.) has initiated a new "stop LaRouche" fundraising drive, with a two-page letter to his Democratic constituents appealing for funds to use against independent Democratic presidential candidate Lyndon H. LaRouche, Jr. and his nationwide movement.

The letter recounts the alleged character

assassination against Dukakis conducted by LaRouche representatives at the Atlanta convention, where leaflets raised the issue of Michael Dukakis's mental health. It describes Reagan's "invalid" joke in response to a question about Dukakis's mental health, and alleges that LaRouche "has found Republican allies in his vile assaults, I don't mean Bush. . . . This neo-fascist, anti-Semitic fringe group is no longer the fringe. . . . It can get its lies right into the Oval Office. . . . I've dealt with them before and thrashed them each time."

Moynihan brags that in 1982, when LaRouche associate Mel Klenetsky ran for U.S. Senate against him, he "spent every dollar fighting Klenetsky" and kept Klenetsky's vote down to 14.9% by alerting citizens to this "conspiracy to take over the party."

Moynihan continues, "LaRouche must not go unchallenged." He notes that in 1983, the LaRouche movement ran over 600 candidates in 25 states; in 1984, 2,000 in over 30 states; and that LaRouche supporters now have 200 county committee seats from California to Massachusetts.

"Every penny" is needed for this fight, Moynihan says, which he promises to lead personally, setting up a special "Moynihan Committee" to do so. The "LaRouche menace must be stopped. His conspiracy to take over the Democratic Party must be stopped."

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## Euthanasia advocates call for 'active killing'

Two hundred euthanasia advocates met in Worcester, Massachusetts Oct. 24 and 25 to discuss "active killing."

"It is already a social fact that letting people die is accepted in the U.S. and Europe," said Patrick Derr, the professor at Clark University in Worcester who organized the conference, "Euthanasia and the Future of Medicine." "We will be debating the policy problem of whether we are going to accept active killing of the neurologically impaired."

While courts in Massachusetts, California, and New Jersey have allowed doctors

to remove feeding tubes from comatose patients, Derr said that many doctors would prefer to give a lethal injection rather than let patients starve.

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## Transfer of LaRouche indictment is denied

A defense motion to transfer the Alexandria, Virginia indictments of presidential candidate Lyndon H. LaRouche, Jr. and six of his associates to Boston was denied by U.S. District Judge Albert V. Bryan, Jr. on Oct. 21.

The decision removes one obstacle to the rush to the Nov. 21 trial date previously set by Judge Bryan. U.S. Attorney Henry Hudson is attempting to ram through a new trial of LaRouche in Alexandria before the Jan. 3 date on which the re-trial of the Boston case is scheduled to commence. The Boston case ended in a mistrial on May 4, 1988.

LaRouche's attorney, Odin Anderson, told Judge Bryan that, for anyone familiar with the Boston case, reading the Alexandria indictment led to a sense of *déjà vu* because of the overwhelming similarity with the Boston case. He described the complexity of the Boston case, with months of pre-trial motions, and then further hearings and issues under the Classified Information Procedures Act arising during the trial itself. "We fully expect the same issues to be argued here," Anderson said.

Hudson made no secret of his coordination with the Boston defense team, as Boston prosecutors John Markham and Mark Rasch sat at counsel's table during the hearing. The two will help him prosecute the Alexandria case.

Defense attorney R. Kenly Webster described the overlap between the Boston and Alexandria cases and said that both indictments had the same objective. "This is a Boston duck," Webster concluded. "It walks like it, talks like it, and sounds like it. It ought to be tried there."

Judge Bryan, however, ruled that the case should remain in Alexandria, emphasizing that the defendants reside in Virginia, and that the documents and records to be



used in the case are in the state.

Hudson lost a motion to disqualify one defense attorney, Brian P. Gettings, lawyer for William Wertz, on the grounds that he had previously acted as counsel for witnesses before the grand jury, whom the prosecution intended to call at trial. Gettings, former U.S. Attorney for the Eastern District of Virginia from 1969 until 1974, is regarded as one of the most capable white-collar defense lawyers in the area.

Judge Bryan indicated that Wertz's Sixth Amendment right to the lawyer of his choice far outweighed any other problem that might be suffered by the witnesses.

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## Marcos indictment traded for Philippines bases

"Marcos Indictment Called Deal for Bases," the *Washington Times* titled an article on Oct. 24, which quotes the Marcos couple's lawyers that the former Philippines President has been made a scapegoat.

The President and Mrs. Marcos have been in Hawaii since their overthrow by a U.S.-orchestrated coup following disputed elections in February 1986. Marcos knew of the U.S. State Department and CIA hand in the effort to overthrow him, but failed to act against it in time, because he trusted President Reagan to block it.

"The American government is happy because they have saved money" on the bases, said Rafael Recto, a Marcos attorney in Manila, of the indictments. "Aquino is happy because she keeps Marcos in Hawaii and gets her money. Now the betrayal is complete."

Arturo Arruiza, a Marcos spokesman, also told a Manila radio station that the Reagan administration has tried to distance itself from Marcos after Dukakis raised the issue in a televised debate with Bush. Another Marcos attorney, John Tighe, said the Marcoses were angry that Reagan had not moved to block the indictments.

"The President and Mrs. Marcos are obviously deeply disappointed at President Reagan's failure to prevent this treatment of a long-standing ally of the United States."

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## CBS News moots vote fraud potential

A special report on CBS-TV evening news Oct. 24 aired the possibilities for computerized election vote fraud.

The possibilities mentioned ranged from the simplest precinct-level interventions, such as pre-punching computer cards so that they would be disqualified unless voted in the same way punched, all the way up to preprogramming the computer software.

CBS News quoted Howard J. Strauss from Princeton University saying that all one had to do was bribe "one computer software programmer," and "up to one-third of the vote in the country could be affected."

The outcome of several elections, including the 1976 presidential election, was affected by less than 100,000 votes.

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## Reagan official calls for free drugs

A Reagan official has called for the U.S. government to buy drugs and distribute them free to addicts.

Nicholas Salgo, who is a member of a U.S. team negotiating with Bulgaria and the People's Republic of China on property disputes, believes that the best way for the government to eliminate drug traffickers is to become one itself. Salgo has proposed that the United States buy up all the drugs now sold by drug traffickers.

"It will be far cheaper than what the U.S. invests in current law enforcement programs that aren't working," he said.

"It is imperative that we eliminate the basic conceptual reason for the drug problem—easy money. We have to de-monetize drugs."

He proposed to combine the purchase of the drug crops with free drugs for addicts.

But, to eliminate the competition, Salgo also proposed that private drug traffickers be given tougher penalties.

# Briefly

● **DUKAKIS'S IDEAS** have "nothing in common with those of Democratic Presidents like Carter, Johnson, Kennedy, or Truman. They remind me rather of those of Senator McGovern, beaten in 1972 by Nixon," Zbigniew Brzezinski, national security adviser to President Jimmy Carter, told the French daily *Le Figaro* Oct. 24. "Dukakis is not a centrist. His thinking is false, because he relies on an irrational view of the world and on bad information."

● **WALL STREET** Dukakis backers say they "can live with Bush." One summed it up this way: "Bush will not be a disaster. He is a responsible, weak, rather mediocre man. I don't think he will use the National Economic Commission, as he regards it as too 'Democratic,' but he will raise taxes. The SDI will be reduced to a 'research program.' All issues will be defined by fiscal reality."

● **NEW JERSEY'S** environmental crime czar, Jacqueline Trump Wolff, was thwarted in her attempt to immediately jail commercial food irradiation pioneer Dr. Martin Welt. Indicted, convicted, and sentenced to two years in jail and a \$50,050 fine in a preposterous criminal case involving minor violations of the Nuclear Regulatory Commission regulations, Welt is now free on bail during his appeal.

● **GEORGE BUSH** picked up three newspaper endorsements on Oct. 23, including the *Chicago Tribune* and *Chicago Sun-Times*, in the closely contested state of Illinois, and the *New York Daily News*, the largest circulating newspaper in the country. Democratic nominee Michael Dukakis picked up the endorsements of the *Detroit Free Press*, *St. Louis Post Dispatch*, *Milwaukee Journal*, and *Atlanta Constitution*.

## Editorial

### *Sign or signal*

George Bush has made defense a key policy issue in his campaign, with the slogan: Peace Through Strength. Since he has based his campaign upon the Reagan record, he has perforce defended that record on arms reduction; however, recently there are indications that a grouping around Bush is becoming seriously worried that the United States is at the point of conceding world hegemony to the Soviets.

Henry Kissinger has placed himself publicly in this grouping, in a number of recent speeches and articles. Now he has taken this a step further by, in effect, associating himself with the ongoing dialogue between the Soviets and the Bush grouping on the question of Lyndon LaRouche's role in the next administration.

Some week's ago, Italy's Prime Minister Ciriaco De Mita returned from meeting Soviet President Mikhail Gorbachov in Moscow. According to press accounts, he reported that Gorbachov rejected a "Kissinger" proposal that conditions be set on any aid being given to the Soviets by the West, in a package that would include national sovereignty for Poland.

A similar proposal had in fact, been made—but by independent Democratic presidential candidate LaRouche, at a filmed press conference which he held in Berlin. (Clips from this press conference were viewed by American TV audiences during a LaRouche national campaign broadcast on Oct. 31.)

LaRouche proposed that the West should undertake to provide food for the Soviets, conditional upon their freeing Poland and allowing a genuine reunification of the German nation.

Understandably, considering Soviet distress at LaRouche's already large policy influence internationally, Gorbachov appears to have chosen not to directly address LaRouche's remarks. While we had not seen any previous Kissinger speech with precisely that formulation, on Oct. 26, Kissinger came out with essentially the LaRouche proposal, in a policy statement which he claimed to be making on behalf of George Bush's campaign.

Taken in tandem with recent speeches of a similar tough tenor by former Defense Secretary Caspar Weinberger, who has urged that the United States not continue to be bound by the ABM Treaty, the Kissinger speech is of great interest on its own merits, without regard to its strange "coincidence" with the LaRouche speech.

Kissinger in his speech characterized the current period as an end to the postwar era of foreign policy. He attacked the characterization by the appeasers who point to a Soviet transformation, and ridiculed the notion that Gorbachov has undergone a conversion, and then aptly warned: "I can't predict Gorbachov's intentions. He probably doesn't know himself. . . . It is dangerous to make the foreign policy of a nation dependent on the good will of one individual."

Most significantly, he then cited the Russian drive to expand their empire, citing how in every century, Russian borders have expanded in all directions, as they gobbled up neighboring nations.

Kissinger then suggested that the West seek to contain the Soviets by demanding that these border states be strengthened as a way of containing Soviet expansionism. For the West to rely passively upon the evolution of the Soviet state, would be to "mortgage the future" he said.

*Executive Intelligence Review* has often opposed Henry Kissinger in the past, and we no doubt will feel called upon to do so again in the future; however, right now we applaud the role that he is playing. Any shift in policy which breaks the drift toward appeasement and the unilateral disarming of the West, is long overdue.

There is, of course, always the possibility that the Kissinger speech is only meant as a signal to the Soviets, to be read in the context of ongoing negotiations. We choose to believe otherwise.

At the very least, we can hope that *if* it is a signal, rather than a sign of an actual policy shift which will occur in a Bush administration, then it is a signal that the policy initiatives of Lyndon LaRouche will be seriously considered by a Bush administration.

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