

National News

Gramm-Rudman would devastate defense

To let the budget deficit trigger the automatic Gramm-Rudman sequestration or budget cuts, "would be devastating to the Defense Department," outgoing Defense Secretary Frank Carlucci said Jan. 16 in a television interview on the "This Week With David Brinkley" program.

Incoming Director of the Office of Management and Budget Richard Darman has been threatening Congress with precisely this step if they fail to agree to enough cuts in domestic programs to meet the Gramm-Rudman deficit guidelines without imposing a tax increase.

Carlucci said that he had already cut the "force structure down to the minimum" where we can "still maintain the rotation schedule." It's as "thin as we can stretch it," he said, without creating major problems. "Further cuts might impact our overall strategy," he warned.

Carlucci said that the 2% real growth in defense spending which the administration has requested in the FY90 budget just sent to the Congress was below NATO targets.

Carlucci cautioned against using the Gorbachov offer of troop reductions as justification for cuts in defense. So far, he said, "all we've heard is statements of intent, no tangible change in doctrine. Shifts in posture would be premature." He noted that "Gorbachov's figures don't add up."

Defense moves to halt 'LaRouche case' repeat

The defense attorney for Rochelle Ascher, the first of 16 associates of Lyndon LaRouche scheduled for trial in Loudoun County, Virginia for "conspiracy to commit loan fraud," is demanding full individual questioning of prospective jurors in an attempt to prevent the blatant jury-rigging and prejudice which resulted in the runaway jury which convicted Lyndon LaRouche and six associates in Alexandria, Virginia federal

court on Dec. 16. Mrs. Ascher's trial is scheduled to begin under Loudoun County Circuit Judge Carleton Penn on Jan. 23.

Judge Penn has refused to consider two motions made by defense attorney John Flannery to change the venue of the trial outside Loudoun County, where Mr. LaRouche lives, unless he is unable to seat a jury. Flannery has documented the extensive pattern of lurid local adverse press coverage, which makes a fair trial for associates of LaRouche seem next to impossible.

The case against the 16 defendants began as a "securities fraud" case, but the Commonwealth of Virginia added conspiracy counts in the fall of 1988, making it almost identical to the Alexandria case. On Jan. 14, the similarity to Alexandria became clearer as the government's key witnesses, including dropouts from the LaRouche political movement, Charles Tate, Chris Curtis, Richard Yopez, Steven Bardwell, and Wayne Hintz, were the same.

Federal prosecutors in the Alexandria case were aided by the refusal of Judge Albert V. Bryan to allow evidence of the government conspiracy against LaRouche and his associates into the trial.

Why Tokyo can not bail out Bush

Lyndon LaRouche released a new essay on Jan. 15, entitled, "Why Tokyo Can Not Bail Out Bush," which explains that it is possible for Tokyo "to postpone the next major U.S. financial crash for as long as six months, even slightly longer," but that such a possibility "depends upon certain factors outside the control of either Tokyo or the Bush administration."

LaRouche warns President Bush that he "may not have six months margin for stalling" on the financial crisis. First, LaRouche points out that "the underlying problem is, that the international monetary system as a whole is the biggest John Law-style financial bubble since the great financial crash of 14th-century Europe."

Second, LaRouche warns Bush, "The other leading problem is, that certain Euro-

pean-based financier powers intend to pop the bubble, as a means for breaking the sovereignty of the United States, and for putting the U.S. itself under the same general kind of IMF 'conditionalities' now applied to debt-ridden Third World nations. The key additional problem is, that certain powerful elements of the U.S. establishment are prepared to serve as accomplices in this sort of operation."

"This set of circumstances poses the question," LaRouche continues, "whether the combined resources of a Bush administration and Tokyo were sufficient to resist a really determined effort by the relevant European financier forces. The plotters against the United States have the advantage of reversed financial leverage. . . ."

"What if the U.S. dollar takes a nose-dive, at the same time that U.S. public and private bonds drop similarly, and some major troubles occur in the highly volatile sector of leveraged buy-outs (LBOs)? A run against the U.S. financial markets, under those conditions, is something which would overwhelm the combined resources of the Bush administration and Tokyo. On that account," LaRouche says, "we are already looking down the barrel of a financiers' gun."

The Bush forces are not even considering how to solve the financial bubble, LaRouche states, the solution to which is detailed in his August 1982 report, *Operation Juárez*.

The full text of the essay is to be published in *New Federalist* newspaper, Vol. II, No. 3, in January.

Buchanan attacks OSI abuses

"It's time OSI was brought out into the sunlight," wrote conservative columnist Patrick Buchanan in his syndicated column, "Dividing Line," Jan. 18. The Office of Special Investigations inside the Department of Justice, has framed up and deported U.S. citizens whom the Soviets have targeted as "Nazis." One such case is John Demjanjuk, who was illegally deported to Israel and sentenced to death there.

Buchanan reports that Phoenix lawyer William Wolf, the new attorney for OSI frame-up victim John Demjanjuk, has turned up what the *Arizona Republic's* Richard Lessner calls "a disturbing pattern of witness intimidation, obstruction of justice, and concealment of evidence" by the Israeli prosecutors.

The OSI has so far refused to release transcripts of interviews with witnesses which would prove that Demjanjuk was nowhere near the Treblinka death-camp, and could not possibly be "Ivan the Terrible." "The defense is being denied these documents," Buchanan writes, "because a) No such material exists or has ever existed in OSI files, in which case OSI should so state; b) The Demjanjuk file has been purged, or c) OSI is withholding exculpatory materials. If b or c is true, Demjanjuk may be the victim of a greater miscarriage of justice than Alfred Dréyfus."

Buchanan demands that the OSI "stop playing games," and that Attorney General Richard Thornburgh "insist that it stop playing games." "Surely, it is time Congress summoned the moxie to take a hard public look at OSI, and Thornburgh took control of this office from people who have run it like a fiefdom for 10 years."

Buchanan also demands that Congress look at OSI's role in the frame-up and exile of the German-born American scientist Arthur Rudolph, who has been totally exonerated of the OSI's phony charges by West German courts.

NCPA queries LaRouche due process violations

The National Council of Public Auditors released on Jan. 18 a copy of a Jan. 11, 1989 "letter of inquiry" to U.S. Attorney General Richard Thornburgh regarding "possible areas during the recent trial of the *United States v. LaRouche, et al.* that may have abridged the due process and rights of the defendants."

"The goals of the National Council of Public Auditors are to safeguard the U.S. constitutional form of government and to

assure that its due process of law is available to every citizen or person residing within its states and territories," the letter reads. "Today foreign ideologies, communism, etc. control 49% of the population of the world . . . and they are still expanding. . . . In the past, we have attempted to roll back the tide from the barrel of a gun, and not with our greatest instruments—the Declaration of Independence, the Constitution of the United States, and its sacred due process of law."

The NCPA noted that it was not concerned with "guilt or innocence" of LaRouche, nor with the motivations of the defendants or government agencies, but with violations of due process.

It asked Thornburgh to review the allegations that the defense was "denied the common practice" of questioning jurors during their selection; that the number of government employees on the jury raised questions of "conflict of interest and possible influence from high authorities"; that the jury could not have "professionally and justly" reviewed 7,500 pages of material in about 8 hours of actual working time; and that much of the material confiscated with an overly broad search warrant "had no relation to the case and was illegally confiscated."

Radical population control recommended

Top malthusian planner Lester Brown recommended on Jan. 14 that government intervention be used to radically reduce U.S. population levels by limiting families to only two children.

Brown is president of the environmentalist Worldwatch Institute, and many of his co-thinkers, such as William Reilly, who will head the Environmental Protection Agency, are being given positions in the Bush administration.

"Many American couples can afford more than two children, but the issue now is whether the planet can," he said. "I don't think there's anything wrong with populations declining for a while," citing the examples of Red China and Nigeria as those the United States should follow.

Briefly

● **NANCY REAGAN**, in her farewell interview with the *Washington Post* Jan. 16, acknowledged her role in the current U.S.-Soviet love affair, saying, "Well, I just kept encouraging it . . . talking to Ronnie . . . just encouraging him. . . . I was all for a rapprochement between the two countries."

● **THE AMA JOURNAL** was warned by six Italian physicians in a letter which was reported Jan. 13 by the American Medical Association, that passionate kissing may be one way of transmitting AIDS. The researchers, from a Naples clinic, analyzed saliva in 90 volunteers for traces of blood before and after tooth brushing, eating, and deep kissing, and found that about half the sample normally had some blood in their saliva. Blood is a rapid means of AIDS virus transmission.

● **'THE GREENHOUSE Effect Hoax: A Soviet Plot to Takeover the Globe,'** is the title of a new *EIR* special report which has now been scheduled for publication. Mikhail Gorbachov is using "the ecologist movement as a means to accomplish the destruction of Western industrial and agricultural potential," said the Jan. 13 announcement.

● **'GEORGE BUSH** faces problems that no American President has faced before. He has lost sovereignty. If he wants to undertake some new policy, he has to clear it first with the bankers in Frankfurt or Tokyo or they will sink the dollar or cause a panic on Wall Street," pronounced political analyst Stephen S. Cohen in the Jan. 15 *Washington Post*.

● **CIA DIRECTOR** William Webster, in a Jan. 13 interview with *USA Today*, claimed that whatever the extent of Soviet backing for terrorism a decade ago, it is no longer the case today.