

Now the U.S. must decide

With the formal decision this week to institutionalize the European Monetary System, the process of reorganizing the world economy for vastly expanded production, trade, and Third World development has entered into a new phase.

France's Giscard and West Germany's Schmidt have made clear that their new system is a political, and not simply a monetary instrument. It is intended to polarize the world's industrialized nations behind the détente and economic growth perspective which first came clearly into view at the May summit where Schmidt and Soviet President Brezhnev concluded \$20 billion in trade and cooperation agreements.

The institutionalization of the EMS has already provoked some revealing public alignments on Western Europe's new policy. Radio Jerusalem announced Dec. 4 as its lead news item that Israel opposes the EMS as a mortal threat to its economy. There is now every reason to expect that nations who have previously indicated their support for the EMS — the nations of the southern rim of Europe, Mexico, and the Arab world — will reassert their commitment at this point, leaving Israel, the satellite state of the City of London, and other British-run countries, as London's only allies against the new world economic order.

Where, then will the U.S. stand? Every element of U.S. government foreign policy is now being dictated by British intelligence and the Israeli Mossad — from Camp David, to NATO, to Southeast Asia. The same is true of domestic policy: the prescription of budget

cuts, arms buildup, and tourniquet-like interest rates, and above all the drug and cult proliferation.

Moves to turn the United States away from national suicide and toward the EMS must come within days and weeks. The U.S. Labor Party, whose chairman, Lyndon H. LaRouche is one of the intellectual authors of the EMS, greeted its endorsement by the European heads of state with a call for immediate U.S. alliance with the new system. Such an orientation must be at the center of a coalition effort to bring the U.S. industrial giant out of recession and back onto its rightful world leadership course, the Labor Party stressed. However, both the Republican and Democratic Party leaderships are foolishly angling toward the 1980 elections, and ignoring the national

economic and political crisis now before the U.S.

Perhaps it is this donkey-like fixation on politics as usual that provoked Illinois Senator Adlai Stevenson to call this week for the formation of a new, third political party based on American ingenuity to return the USA to world leadership in fostering global high-technology economic development. Stevenson's call came in an interview with the *Chicago Sun Times*, and reprised the ideas he had laid out during an early November speech in Abraham Lincoln's hometown of Springfield, Illinois. There, speaking to the Center for the Study of the Presidency, Stevenson proposed that the "presidency may again require a new party to sustain it."

Bhutto's fate in the balance

The fate of Pakistani Prime Minister Zulfikar Ali Bhutto hangs in the balance this week. Bhutto, overthrown by a military coup in July 1977 and arrested and tried for an alleged "criminal conspiracy" to murder a political opponent, has been held in prison for the past year and a half. He was sentenced to death by a Pakistani court in November of 1977. He has been appealing that conviction before the Supreme Court of Pakistan since then. The appeal is reaching an end, with Bhutto's lawyer Yahya Baktiar now finishing his final summation before the court.

The case of Mr. Bhutto, the foremost civilian political leader in Pakistan's history, carries great

implications. The military junta that deposed him is determined to get Bhutto permanently out of the way, fearing that the stability of its rule depends on that. While the junta continues to claim that this is merely a "criminal case," its real motivations are not hard to see.

The regime's desperation threatens not only the life of Bhutto but the stability of Pakistan itself, and with that the stability of the entire region from Iran and the Persian Gulf to India. It is predicted that the junta's scant credibility will evaporate if Bhutto is killed, leading to the unleashing of disintegrating forces in the country which would spread into Iran and India. Bhutto himself has made

this point and cited forces in Washington, London, and elsewhere who desire precisely that outcome, in tandem with the destabilization of Iran and heightened tensions and Cold War confrontation in the region.

At this moment there is no clear indication of what will happen when the Supreme Court begins its final deliberations. Bhutto's lawyer said last week that he and his client have "confidence in the judgement of the Court," a statement which reflects repeated rumors that in fact some of the judges are leaning toward an acquittal of Bhutto. However, everyone, especially the Court, is aware of the junta's strong desire to see Bhutto hanged as quickly as possible.

The stepped-up junta offensive against its opponents makes this clear. Most prominently reported was the arrest of the editor of the respected independent Pakistani weekly *Viewpoint*. The editor, Mazhar Ali Khan, is known to favor Bhutto and was a strong supporter of detente in the region, including friendly relations with the Soviet Union and India. This was backed up by the announcement of General Zia ul Haq, the junta chief, of the formation of special "Shariat" Islamic courts which would examine all legal rulings according to "Islamic law."

There is very little in the Western press on the reality of events in Pakistan. The *Executive Intelligence Review* is taking a special responsibility to fill the void. Several weeks ago the *EIR* received important papers smuggled out of Pakistan, including a 319-page document written by Bhutto in jail, a lengthy appeal to the court refuting the allegations made against him by the government in a special White Paper issued earlier this year.

The document has been banned in Pakistan and little covered outside of the country. After the *Financial Times* of London pub-

lished a tiny article claiming that the Bhutto document was incoherent, both Jack Anderson and the *Washington Post* obtained the document but refused to print a word about it or Bhutto's perilous situation. The document is a detailed account of the events leading up to and surrounding the coup,

including the role of "foreign" elements typified by Henry Kissinger. The *Executive Intelligence Review* will soon release an abridged version of the document, as a special supplement, hopefully before the jury tries to silence Mr. Bhutto forever.

—Daniel Sneider

Japan's new government: 'low quality'

Japan's new Prime Minister, Masayoshi Ohira, announced his cabinet last week, and the new cabinet members are an extremely undistinguished lot. The new government includes political hacks from every major faction inside the ruling Liberal Democratic Party, many of whom have been waiting 20 years or more for a cabinet post. Not surprisingly, Ohira made one of his own faction members head of the powerful Ministry of Finance position, while the other key bureaucratic post, that of head of the Ministry of International Trade and Industry, went to a follower of former Prime Minister Kakuei Tanaka, Ohira's major factional ally.

According to a top Japanese political expert in Washington, the reason for what he termed the obvious "low quality" of the new cabinet was that the struggle for the "balance of power" inside the LDP itself had not yet been resolved. According to the source, the two major interparty rivals are Takeo Fukuda and former Prime Minister Kakuei Tanaka, whose unity is an absolute necessity if Japan is to be put back into its active position as the Asian organizer for the European Monetary System. Fukuda is enraged at Tanaka for his role in funneling in "dirty money" to Ohira's camp-

aign to virtually buy the election for Ohira, while Tanaka hates Fukuda for what Tanaka believes is the role Fukuda played in earlier helping to watergate Tanaka himself out of office in 1974.

The intense battle between Fukuda and Tanaka has been heightened by charges of China's role in funding the Ohira campaign. The Bank of China, according to rumors now circulating in the Japanese business community, used the Hong Kong and Shanghai Bank as a funnel to launder money to Ohira.

Ohira's own limitations as a leader were described in graphic detail in a column in the Dec. 3 *Yomiuri Evening News*. The article quoted a Foreign Ministry official who said that when Ohira was Foreign Minister, "to brief Mr. Ohira we have to explain the same thing again and again. It's a lot of fuss to make him understand anything. When he was going to talk with a ranking foreign official he used to say 'I understand nothing. Please pass me a memo when I falter.' He was outspoken. But he used to be irresolute when he had to decide." The *Yomiuri* article also comments that when Ohira was Foreign Minister, "It is said that Kissinger in particular liked him."