

## SPECIAL REPORT

### U.S. Labor Party Presidential Statement

# “KGB” Slander Against Labor Committees Leaked Into Washington Post

New York, March 22 (IPS) — Under the by-line of Sovietologist Harry Rositzke the March 21 issue of the Washington Post brings to the light of public print a KGB slander against the Labor Committees which has previously been circulating for some weeks around political and financial circles in Washington, New York, Chicago, Bonn, Paris, Rome and Copenhagen. Although Rositzke does not mention the Labor Committees by name, the allegations are identical to those circulated as high-level gossip, and his description of the alleged KGB operation uniquely conforms to the extent and focus of Labor Committee activities.

The relevant portions of the article state the following:

“In the last 10 years, however, the KGB’s foreign directorate has begun to perform an even more valuable service — to advance in secret the Soviet government’s open objectives on the official level. Its recruitment of ‘agents of influence’ in Europe and the United States gives Soviet foreign policy a muscle that cannot be matched by the West.”

“Today, in New York, Bonn, Paris, and Rome there are over 200 KGB officers assigned to each city (a hundred were thrown out of London several years ago). Many, if not most, of them are recruiting not spies but ‘friends.’ Their job is to develop personal contacts within the power elites of each nation: politicians of the center and right, non-communist labor leaders, bankers and industrialists, journalists and professors, government officials and legislators.

“These contacts range from secret to confidential to public. Some are on the Soviet payroll — the personal assistant to former West German Chancellor Willy Brandt, a key European negotiator on a truck-assembly plant project. Some have been bribed with business opportunities in East-West trade — a British merchant or an Italian banker. Others are close enough acquaintances for a KGB officer to invite to an informal lunch or dinner to talk about current affairs. In many capitals, as in Washington, KGB officers openly lobby among legislators on bills affecting Soviet trade.

“These agents of influence within the power groups of Western Society give Moscow a useful covert means for affecting the attitudes and decisions of other governments on matters of Soviet concern. The KGB officer under diplomatic cover, socially sophisticated, fluent in English, German, or French, can use his friends or agents to lobby for a European security conference, to press for favorable terms in trade or loan negotiations, to promote the investment of capital in a Soviet petrochemical project.

“These KGB officers, for the most part, break no laws. Neither spying nor subverting, they are beyond the purview of Western security services. The lessening of East-West tensions under X (detente — Ed.) not only makes their contact work easier — and their contacts more susceptible — but as Soviet political and economic interests in the West continue to increase under X, they will have more work to do.”

This slander was first put forth from Jeffrey Record of the Brookings Institute and Ray Cline of the Center for Strategic

and International Studies during late last April and early May. At that time, a shrieking Ray Cline (“I was on the CIA’s German Desk...I know they’re KGB”) attempted to circulate the concocted allegations into NATO and Munich, West Germany Military circles. This occurred in connection with the hysterical reaction by Cline and others to the exposure of the NATO MC 14-4 version of the notorious Schlesinger doctrine of the Rand Corporation. At about the same time, this same slander was employed in an effort to terrorize a number of U.S. Congressmen into dropping on-going discussions with the Labor Committees.

More recently, this slander activity has been escalated, intensifying pressures on U.S. legislators. At the same time, a concerted drive around this slander has been launched around the kanalarbeiter faction of the West German SPD, some French military and political circles, and into Third World diplomatic channels.

Those U.S. legislators, Europeans and Third World officials who have been subjected to such gossip campaigns will immediately recognize the Washington Post leak as essentially identical with the false reports smuggled into their attention.

#### Background of the Washington Post Teaser

The other notable feature of the Washington post slander is that the article in which this is included reflects the special factional position of the Averell Harriman-linked faction among U.S. Atlanticists. A summary of the policy divisions among the Atlanticists clarifies the significance of the use of the KGB slander at this present time.

The Anglo-American dominated Atlanticist faction of international politics and finance is presently divided into three principal currents. In the U.S.-based current there are two principal present factions, one linked to the Rockefeller brothers and their protege Henry Kissinger — the so-called utopians — and the other more emphatically linked to the top strata of the Democratic party around the unifying figure of Averell Harriman — the so-called traditionalists. The third Atlanticist faction is predominantly British-based with some Scandinavian and other allies.

In general none of these three factions have any positive policy. They are agreed however on four principal points of common short-term strategy: 1) strict debt collection enforcement throughout the advanced capitalist sector, 2) the forced imposition of the fascist economic austerity policies of Nazi Finance Minister Hjalmar Schacht upon the entire advanced capitalist sector 3) the imposition of temporary “governments of national unity” both to enforce initial short-term austerity measures and to prepare the way for ensuing Bruening-type police state regimes and, later, outrightly fascist regimes throughout the advanced capitalist sector, and 4) at least six months of delaying tactics against developing sector and other anti-austerity opponents, to give the Atlanticists sufficient time to consolidate their Schachtian policies and regimes in the advanced sector and to proceed toward crushing militarily and economically the duped opponents of the developing sector.

Within those points of agreement, there are important subsumed differentiations. The British faction most notably is prepared to make an exception of at least most of the developing sector. Those British Atlanticists more acutely perceptive of British national and allied interests are prepared to go to the point of general debt forgiveness for the developing sector and to foster a pro-development rather than Schachtian austerity or Brazilian outflows of capital goods from the advanced capitalist sector. In other words, this British-led faction follows the general line of the "first development decade" policy perspective.

The Rockefeller-utopian faction is committed to Schachtian ruthless austerity for the developing sector, to the crushing of developing sector opposition by fomented regional wars and direct military interventions, and to a final showdown thermonuclear confrontation with the Warsaw Pact at the first opportunity — at least before the end of 1977.

The Harriman faction is prepared to make a show of thermonuclear confrontation with Warsaw Pact before the end of 1977 too, but for the purpose of forcing the Soviet leadership to the table to agree to a new "Spheres of Influence" agreement superseding the Yalta and Potsdam arrangements. The Harriman faction is also inclined toward a modified version of the British policy toward the developing sector. This policy has been jointly and separately stated repeatedly by Harriman, Senator Ted Kennedy, and other notable spokesmen since mid-December, 1975.

The short-term strategy of the U.S.-based Atlanticist faction for Europe is the successive crushing of the national economies of Italy, France, Britain, Belgium, and Denmark with the aid of the duped top layers of the West German government and Bundesbank. The West Germans and the Bundesbank have the short-term function of buffering New York City-coordinated monetary warfare against other European nations so that the one-by-one attack on those nations does not—New York bankers hope—run out of hand into a general chain reaction collapse. Once the once powerful reserves of the Bundesbank have been depleted through such operations, West Germany will be plunged by the New York bankers into the same "Fourth World" Schachtian barrel as the rest of western Europe. Japan is currently being manipulated by the New York banks and their allies in much the same fashion as West Germany.

During this initial operation against Western Europe and Japan, the Atlanticists are conducting stalling tactics on the order of a "mutt and jeff" CIA-type operation against the developing sector. This includes covert operations to induce some of the developing sector nations to divert their efforts from real issues into support of a pathetically physiocratic "indexed basket of commodities" package demand of the type associated with C. Fred Bergsten.

Meanwhile through austerity pressures associated with debt rollover through CIA-type operations and the launching of regional war, the New York bankers aim to so weaken the developing sector forces as a whole that once Western Europe and Japan have been turned into militarised police states with Schachtian economic policies, New York can easily pick off remaining Third World opponents one by one.

It is in this context that the Harriman factions pushing of the KGB slander can be understood. Two leading points are most relevant. First, although the Harriman faction directly knows that the KGB slander is a complete falsehood, they consider this slander to be an efficient "psychological warfare"-type falsehood in their determined effort to contain the accelerating programmatic influence of the Labor Committees; Secondly, the Harriman faction rightly believes —

together with the Rockefeller-Kissinger faction — that the Labor Committees are **potentially** the greatest source of danger to the Atlanticist fascist schemes within the capitalist and developing sectors.

Rockefeller and Harriman are neither lying nor victims of paranoid delusions in imagining that the Labor Committees represent a major **potential** political danger to the success of their strategy. In fact, various leading spokesmen for various Atlanticist factions have repeatedly informed us, with much gloating, that the anti-austerity forces of both the advanced capitalist and developing sectors are bands of impotent posturers, who will make a temporary show of resistance, but will grovel into submission very quickly under real pressure from the Atlanticist forces.

This excessively contemptuous estimation of most Third World and advanced-sector anti-fascist forces is unfortunately based on the reality of political performance to date.

The Atlanticists regard the Labor Committees as the only political force with the combined qualifications of program, competence of analysis, and guts to transform an otherwise fragmented and frightened mass of developing-sector and advanced-capitalist-sector anti-austerity groups into an effective force capable of realizing its objective potential for giving the Atlanticists a crushing defeat.

At the same time, although the Atlanticists generally shrink in terror because of their estimation of the political-military strategic capabilities and the competence of the Warsaw Pact forces, the Atlanticists also regard the present majority of the CPSU leadership as essentially confused and politically incompetent respecting the situation inside the advanced capitalist sector and as also preponderantly disoriented concerning key points of political developments within the developing sector. **In fact, what delights and otherwise amuses the leading Atlanticists is the stupidity of the Comecon sector in not giving support to the political analysis and programs of the Labor Committees.**

What frightens the Rockefellers and Harrimans concerning the Labor Committees is both their awed respect for the competence of the Labor Committees analyses and programs, and the success of the Labor Committees in rapidly developing the U.S. Labor Party as a mass-based electoral party with a plurality as great as that of the Republican and Democratic parties in numerous regions of the USA itself.

Although the Atlanticists have so far kept the outright killing and major frame-ups against the Labor Committees to a relative minimum (to thus minimize the martyr factor), otherwise, the National Security Council and NATO Intelligence operations against the Labor Committees currently add up to the largest-scale and most intensive political containment operation in modern history.

Ambassadors, heads of state, leaders of major political parties, as well as other politicians, bankers, industrialists and ordinary workers have been directly subjected to massive combinations of physical threats and other reprisals in the related effort to contain Labor Committee contact activities and organizing campaigns. In the USA, in addition to an Atlanticist control of most of the major press and press services, the National Security Council and FBI have worked to contain press coverage of the Labor Committees and U.S. Labor Party even by direct threats against publishers, editors and reporters.

Despite this massive containment operation — of which the KGB slander is merely one part — the growth of the Labor Committees programmatic influence is currently accelerating within the USA and in other nations.