

National News

French Smith promotes foreign takeovers

Attorney General William French Smith has announced the Reagan administration's enthusiasm for a policy, already well under way, for the foreign takeover of U.S. corporations.

Speaking at the United Nations on Aug. 31 to the Union Internationale des Avocats, an association of attorneys who specialize in international law, Smith attacked recent antitrust rulings that have served to inhibit foreign corporations from business activities in the United States. Smith said these rulings had little basis "in real-world economics."

In recommending the loosening of antitrust enforcement, Smith said that the "Justice Department is therefore urging upon our courts a return to economic reality and a disavowal of arcane theories involving solely vertical arrangements or a lack of anticompetitive conduct."

Smith's statements come at a time when foreign business interests are playing an increasing role in U.S. corporate affairs. Smith earlier relaxed antitrust statutes to support the numerous corporate mergers that have occurred in the United States since the beginning of 1981.

Friedman, Hefner to sell TV pornography?

In a true union of "free enterprise" and "individual liberty," *Playboy* magazine publisher Hugh Hefner and quack economist Milton Friedman have jointly purchased the franchise to Boston's Cablevision pay-TV system, reported the Aug. 31 *Boston Globe*.

The franchise, okayed by Mayor Kevin White's cable coordinator, Richard A. Borten, gives the Hefner-Friedman combination control over pay TV offerings to the Boston viewing audience.

Cable TV has broadcast a substantial number of pornographic programs; most of its programming is exempt from federal regulatory standards.

Smut peddler Hefner and Milton Friedman, who has gone on record advocating "individual rights" to use illegal drugs and commit suicide, are not expected to upgrade cable programming.

Navy announces 'Project Upgrade' success

The U.S. Navy has announced the successful completion of Project Upgrade, initiated by Chief of Naval Operations Thomas B. Hayward to improve readiness and fighting quality.

The project consisted of dismissing 2,612 sailors from active duty in specially expedited discharges. "The surprising thing is that when you get these people off the ship, we're still getting the same amount of work done," said Capt. Paul Feran, commander of the U.S.S. Kalamazoo, who dropped 6 percent of his crew.

A spokesman for the Atlantic Fleet Surface Force reported that skippers "universally proclaimed their enthusiasm" for the project. In light of increased pressures from the Office of Management and Budget for defense cuts, there have been indications from the Pentagon that the number of active-duty military personnel would be reduced.

If this is upgrading, what will "Project Victory" look like?

Klenetsky issues campaign white paper

Mel Klenetsky, candidate for the Democratic mayoral nomination in the Sept. 10 New York City primary election, has issued a pamphlet entitled "How Paul Volcker, David Rockefeller and Ed Koch Destroyed New York." Its introduction includes this statement:

"New York has not been ruined because the 'middle class' moved out. They were systematically driven out. New York has been ruined because drugs sapped the moral and intellectual strength of its youth, and made crime the city's one real 'growth industry,' financed by the investment houses of the elite families. New York has not been ruined because greedy politicians robbed the treasury, bought votes, and mismanaged the city's finances. New York was deliberately bankrupted by a semi-aristocracy of powerful financial manipulators, in order that they might assume control of the government machinery, and depopulate the city."

Investigative Leads target of slanders

Both the *Baltimore Sun* and *Police* magazine published slanders at the end of August about *EIR's* law-enforcement newsletter *Investigative Leads (IL)*. The semimonthly, in its less than two years of existence, has earned an international reputation for intelligence services to the law-enforcement and intelligence community in the U.S. and Europe. The *Sun* and *Police* characterize *IL* as "right-wing," "extremist," overconcerned with "conspiracies," and so forth.

The source of the almost simultaneous slanders of the *IL* is the Washington, D.C.-based Police Foundation, which publishes *Police* magazine. The Police Foundation, headed by former New York City Police Commissioner Patrick Murphy, has been the subject of a series of *IL* articles that expose the foundation for its role in undermining state and local law enforcement and in dismantling crucial intelligence-gathering capabilities.

IL editor Robert Greenberg recently announced a campaign against Murphy and his foundation as part of *IL's* commitment to restore the quality of law-enforcement requisite for protecting citizens and curbing international drug trafficking and terrorism.

Briefly

● **REP. PAUL FINDLEY**, an Illinois Republican who belongs to both the Trilateral Commission and Ditchley Foundation, held a town meeting for his constituency early this month, which the 250 participants insisted on turning into a referendum against the Federal Reserve's policies. Findley ended the meeting prematurely.

● **THE REPUBLICAN** National Committee has sent out thousands of questionnaires to get voter opinion on a number of issues they plan to emphasize in Congress. In a cover letter, President Reagan says that he had asked for the questionnaire to "give dramatic proof" to Congress of the extent of support for these programs. In addition to several questions on the President's austerity budget, the RNC asks about support for "free enterprise zones."

● **A FORMER DOD** senior official claimed in a Sept. 3 interview: "In the last few years, the U.S. military has lost its aura of inviolability around the world. In denying the Libyan claims, flying in and sailing in, we have restored the aura of competence of the U.S. military. There are a number of spots around the world that are candidates for this kind of victory."

● **ALEXANDER HAIG**, after requesting exhaustive investigations by Britain's College of Heraldry, has received confirmation that the Haig family's genealogy traces back to the ancient folk who constructed the Tower of Babel. Haig ordered the study as part of his two-front war strategy, being conducted simultaneously against the Soviet Union and the English language. The former NATO commander's general order to "Keep your powder dry until you see the bottom line" has been questioned by military experts as potentially leading to the overrun of American positions without a shot being fired.

Stockman says cuts 'will warm your hearts'

Budget Director David Stockman revealed some new budget-cut goals Aug. 31 in a speech before the Midwestern governors' conference in Minneapolis.

In response to a question from the governor of South Dakota, Stockman bragged: "Within a week, we are going to announce some changes in federal employment levels and agency termination levels that will warm your hearts, even in the middle of winter in South Dakota."

At a White House briefing on Sept. 2, spokesman Larry Speakes gave no confirmation on a report that 100,000 federal employees would be fired in 1983 and 1984 but stressed that the administration's policy is to reduce the size of government. Speakes said that Stockman has developed options to eliminate and consolidate agencies.

Roy Cohn turns red—above cover

Mob attorney Roy M. Cohn, who got his start in the early 1950s as Sen. Joe McCarthy's right-hand man in witch-hunts against alleged communists, took the stand Aug. 31 in the case the *People v. Dupont*, which is being heard in New York District Court this week. The case involves Cohn and Richard Dupont, whom Cohn has charged with harassment and coercion. Dupont, a fur designer and former owner of a homosexual body-building club, alleges that Cohn forced him out of business with a real-estate scam.

John Klotz, attorney for Dupont, concluded his questioning of Cohn that day by asking the bachelor lawyer if it was true that he had had a love affair with Dupont in 1971 when the two first met. Cohn turned bright scarlet, and then shouted, "No! Categorically, no!"

It is expected that the defense will call some of Cohn's former lovers to refute the testimony.

Cohn turned red again when he was asked by Klotz to describe the type of operation he underwent last year. Before Klotz had finished the question, Cohn blurted out, "An eye operation." But sources say that Cohn had undergone a cosmetic operation on a lower portion of his anatomy.

Cohn's court testimony also indicates that he may previously have been lying to the jury. Cohn admitted that he had been asked by a client and distant cousin of convicted drug-runner and murderer Buddy Jacobson to meet with Jacobson. Cohn further testified that he met with Jacobson for two hours. Last week Cohn said he had never met with Jacobson in his life. The trial has been blacked out of the *New York Times* and the otherwise sensation-mongering remainder of the metropolitan press.

Scoop Jackson: 'a revolt is brewing in this country'

A page-one article in the Seattle *Post-Intelligencer* on Sept. 2 ran the following statements by Sen. Henry "Scoop" Jackson: "Carter went for high interest rates as the only means to fight inflation. Both administrations, I think, have pursued a policy that is not working, but is in fact inflationary. A revolt is brewing in this country. The President will have to tell the Federal Reserve Board that we cannot look at interest rates as a way of curbing inflation."

Jackson, who was speaking at a senior citizens center in Seattle, went on to pledge that he would support efforts to stop cuts in Social Security. Anticipating that other congressmen will have felt the same pressures during the recess, Jackson added, "When we return after Labor Day I think you will see senator after senator speaking out on this." Jackson has never been distinguished by opposition to the Federal Reserve's policies.