

Who's setting the next booby-traps

by Richard Cohen, Washington Bureau Chief

Senate Minority Leader Robert Byrd's suspenseful decision to oppose the sale of AWACS aircraft to Saudi Arabia was consolidated during the Oct. 16-17 meeting of the newly created Democratic National Strategy Council (DNSC). On Oct. 21, Byrd rose to the rostrum on the Senate floor and announced his opposition, which compounds the threat to Senate approval of the measure—and illustrates a new degree of collusion between large parts of the Democratic leadership and the Socialist International.

The DNSC is one of the more recent and important front groups of Charles Manatt's Democratic National Committee. It was created by Manatt and House Speaker Tip O'Neill, with the agreement of the Senate Democratic leadership, notably Minority Whip Alan Cranston of California and Byrd himself. The Council has been endorsed by Socialist International-affiliated leaders within the AFL-CIO, including William Winpisinger of the International Association of Machinists, and Trilateral Commission member Lane Kirkland, the Federation's President. The Council's Baltimore meeting, which attracted many important national figures in the Democratic Party, firmly re-emphasized the now-familiar Manatt-O'Neill-Kirkland ban on any Democratic-sponsored bipartisan approach to toppling the interest-rate policy of the Federal Reserve Board and rescuing the nation's productive sectors.

But participants in the Baltimore conclave tell me

that the Manatt-O'Neill group went well beyond the standard "let Reagan sink with the economy" tactic in a series of private sessions.

On the morning of Oct. 18, a full-page advertisement appeared in the *New York Times*, sponsored by the Coalition for Strategic Stability in the Middle East. Manatt has publicly identified himself with this group; sources close to the DNC assert that "Manatt started it and has privately funded it." The Coalition's sponsors include Winpisinger, Kirkland, and other Socialist International-linked figures such as J. C. Turner, President of the Operating Engineers and a member of the Trilateral Commission.

In the advertisement, which appeared in the *Washington Post* the day before Byrd's announcement, Senators are warned not to vote for the AWACS sale unless the President secures a "public agreement on assurances" concerning the use of the equipment from Saudi Prince Fahd at the Cancún summit. The "public agreement" the Manatt group demands is the same package the Saudis officially rejected several weeks ago. Yet five hours after Byrd's announcement on the Senate floor, Alan Cranston held a press conference to warn that should Reagan be unable to secure such assurances from Fahd, the administration would definitely lose the AWACS vote. The following morning, Oct. 22, Sen. Ernest Hollings of South Carolina, another Democrat, announced his opposition to the sale.

It is useful to note that a week before the DNSC meeting, former Vice-President Walter Mondale, Manatt's favorite as the 1984 Democratic presidential nominee, announced his own opposition to the AWACS policy. Mondale made his position known after he returned from a trip to Europe, during which he met with French President François Mitterrand and West German associates of Socialist International Chairman Willy Brandt. Mondale's visible presence at the DNSC meeting, where the final stage of the attempt to block the AWACS sale was hatched, was followed on Oct. 20 by Mondale's much-publicized speech to the Foreign Policy Association in New York.

There Mondale went well beyond AWACS, and charged the Reagan administration with having split the NATO alliance through its interest-rate policy. Mondale went further than a defense of Volcker by holding Reagan solely responsible for that disaster; he defended the Socialist International's rationale for the European "peace movement."

The former Vice-President repeated the same arguments Mitterrand delivered to Reagan in their private talks at the Yorktown bicentennial event the day before Mondale spoke. Both Mondale and Mitterrand warned that unless the administration speeds up arms talks with the Soviets and endorses "globality" in North-South relations, NATO would disintegrate and the United States would slide into isolation from the Third World.

These items were on the agenda, sources report, when Mondale met with Mitterrand in Paris, and on Oct. 19, the final day of the Reagan-Mitterrand talks, French Foreign Minister Claude Cheysson publicly ridiculed the U.S. AWACS plan.

The clear coordination between the increasingly powerful Socialist International and the Democratic Party leadership has several immediate aims. The joint escalation of moves against the AWACS sale is aimed at furthering the influence of British intelligence (mother of the Socialist International, and, through Averell and Pamela Harriman, mentor of the DNC) in the Middle East. Already, the administration accepted an increased role there for Mitterrand and British Foreign Secretary Lord Carrington when, on Oct. 19 and 20, the French and U.K. governments signaled their interest in participating in the Sinai peace-keeping force. The devastating loss of U.S. standing in the Middle East, compounded by possible British or French provision of substitutes for the warning system equipment, would put Washington in the remarkable position of having to openly work through London and Paris in order to operate in the region.

Isolating the United States

Beyond the Middle East, the activities of Manatt, O'Neill, Byrd, and most emphatically Mondale have as

their tactical purpose the pre-eminence of the Mitterrand government and the British Foreign Office in determining U.S. policy toward Europe, the Soviet Union, and the developing sector. The Reagan administration in turn is both morally and political susceptible to this operation.

On Oct. 18, Reagan's senior economic and political advisers closeted themselves with Senate Republican leaders, including Majority Leader Howard Baker, at the White House. The purpose of the meeting was foreshadowed on Oct. 14, when aides to Mark Hatfield, Chairman of the crucial Senate Appropriations Committee, and Robert Dole, Chairman of the Senate Finance Committee, publicly reported that the President's proposed second round of budget cuts would have to be halved to between \$5 and \$6 billion, of which \$4 billion would have to come from defense spending—twice as much as the President suggested. Further, on Oct. 14, the White House lost a vote on the dairy price-support bill, with many Republicans unwilling to accept its austerity slashes. By Oct. 16 Republicans on the Senate Finance Committee were discussing the possibility of hiking excise taxes on cigarettes and alcohol; by the weekend it was clear that the President's program was in a shambles, and emergency deliberations multiplied against the background of the President's acknowledgement that the economy is in recession.

The Oct. 18 meeting at the White House tentatively agreed to policy changes argued for by the *New York Times*, the *Washington Post*, and spokesmen for the International Monetary Fund. The administration agreed to further cut the defense budget and to increase taxes. On Oct. 20, the House Republican leadership, with an eye to O'Neill's stranglehold on the House Ways and Means Committee, which would have to pass any new tax bill, sent the message that such excise taxes would never get through. By the morning of Oct. 22, the administration was sending out signals that it was prepared to go even further, however. White House sources are now suggesting that the only acceptable tax increase would be the one Jimmy Carter himself suggested in his infamous National Energy Program: a surtax on gasoline.

These developments occurred while the President's stumbling remarks to an editors' conference on the possibility of nuclear war being confined to Europe were manipulated by the press, adding fuel to the Socialist International's new peace movement and adding to Chancellor Helmut Schmidt's problems. During Caspar Weinberger's trip to Scotland for the NATO Defense Ministers' meeting, the Secretary succeeded in obtaining a "vote of confidence" for the strategically cock-eyed Euromissile deployments; but at the same time, the President and his staff were fleecing the Pentagon's already inadequate budget.