

“frightened the hell out of” the President’s political advisers, as one source put it. They know that outside of LaRouche’s NDPC, these conservative groups represent the only growing political movement in the country. Without them, it would be impossible for the GOP to hold the Senate and maintain a powerful minority in the House in the 1982 elections. Thus the White House response was quick. Baker and Presidential Counselor Edwin Meese III were dispatched to appeal to the group of 45 organizations. Senate Majority Leader Howard Baker reshuffled the 1982 Senate calendar in order to allow the conservative “social issues” of school prayer, busing, and abortion to dominate the Spring agenda. Under pressure from Rep. Jack Kemp (R-N.Y.) to resist tax increases, Mr. Reagan met with Kemp’s friend Richard Rahn of the U.S. Chamber of Commerce and selected business leaders on Jan. 20. That meeting, plus the chants of “no tax increase” from the 45 groups, convinced the President.

The options

The President now faces four economic policy alternatives. While Kemp has now emerged as the champion of this anti-Bush amalgam, what he offers the White House is a Rasputin-like alternative to Volcker. Kemp, fresh from victory on the tax issue, and with increasingly broad-based support, now wants to push a program which would promote lower interest rates but keep money very tight by means of a British-style gold-reserve variant of gold remonetization, something to which the BIS would not be averse.

Baker and Stockman, who originally promoted a deal with the Federal Reserve on taxes, are now urging the President to fence with Volcker while they press for a massive looting of union pension funds in order to come up with the so-called savings that were supposed to be generated by the tax cuts. In a private discussion with Meese, one of my reporters was told that the problem with the economy is *not* Volcker, despite White House signals to the contrary. Other presidential advisers have told me recently that the President still believes his long-term program is working; they point insistently to the decline in the inflation rate, and identify their problem as merely short-term heavy unemployment in the auto and construction sectors. Thus, this alternative amounts to sticking with Volcker and waiting for an illusory recovery.

Third, there is the emerging Fabian Democratic alternative, which Mr. Reagan finds obnoxious and repugnant. Presidential aspirants Walter Mondale, Ted Kennedy, and Jerry Brown are proposing “permanent depression machinery,” centered around wage-price controls, credit controls, and increased taxes on consumption. Those are the options competing with the LaRouche program.

Conference Report

CFW session attacks Germany’s Schmidt

by Graham Lowry, U.S. Editor

The recently concluded Committee for the Free World (CFW) conference on “The Transatlantic Crisis,” a three-day proceeding which nearly drowned in waves of anti-Soviet and anti-German rhetoric, operationally served as an international organizing session to plot the overthrow of the West German government of Chancellor Helmut Schmidt.

Concluding its public sessions with a keynote address by Henry Kissinger, the peripatetic, long-time specialist in political destabilizations and coups, the CFW gathering of European and British oligarchs and their American devotees featured continual public and private denunciations of Schmidt’s efforts to defend West Germany’s national interests and its role as a leading force for East-West detente and international stability.

The public attacks on West German policies at the conference, held Jan. 22-24 in Washington, were coupled with condemnations of President Reagan’s “weakness” in responding to the crisis in Poland, both for not having “retaliated” effectively against the Soviet Union and for having failed to muscle the Europeans—especially West Germany—into joining in broader economic sanctions against Moscow. The efforts to pressure Reagan into plunging into confrontation with the Soviet Union were also aimed at forcing a break between Reagan and Schmidt, to eliminate any prospect of a joint commitment to stabilize the international situation, and pave the way for eliminating the Schmidt government itself. The agenda for such discussions at the CFW conference followed Kissinger’s lead in a pair of wild op eds in the *New York Times* Jan. 17 and 18, in which he railed against Reagan’s obvious blast at Schmidt’s detente policy, demanded an end to “appeasement” of the Soviet Union.

British manipulation

But the role of the British monarchy and its oligarchical allies in fomenting these assaults was evident at the conference itself, where British Lord Alun Chalfont, the Conservative Party extremist on strategic affairs, not only chaired some of the proceedings but

took it upon himself to refocus the discussion at the opening of the second day by insisting that participants concentrate more on "political considerations" than strategic and military matters.

The purpose of such British manipulations is not to bolster the United States, but to hurl the United States and the Soviet Union into a head-long period of confrontation that will undermine and destroy *both* nations as world powers. The British-inspired fulminations against U.S. ally Chancellor Schmidt thus represent a calculated plot to not only destroy the Schmidt government, but weaken the U.S. itself.

Chalfont's first puppet voice for this strategem was Norman Podhoretz, husband of Committee for the Free World head Midge Decter, who launched into a diatribe against European "appeasers." Europe is in danger of "Finlandization," Podhoretz charged, because the "contemptibly self-righteous wails and whines of neutralists, appeasers, and Red Vichyites dominate the European air."

Leaving unnamed his prime target—detente's leading European spokesman Helmut Schmidt—Podhoretz gave dramatic testimony to the frenzy driving the overall assault on Schmidt by declaring, "An apocalyptic sense is the only rational response to reality."

In an earlier discussion, Podhoretz told the audience that sentiment in Europe is "better Red than dead, but they do not realize they will be both Red and dead." At that point, a member of the audience rose to contribute

his opinion that the 25-year economic development treaty signed in 1978 between Bonn and Moscow—which has been the basis for Schmidt's stabilizing role—is a new Hitler-Stalin pact.

Lord Chalfont himself argued for a larger role for Britain in setting policy for the Atlantic Alliance, since, he explained, West Germany's political views are inherently unreliable because geographically they are "too close to the Russians." Jean-François Revel, former editor of *L'Express* in France, denounced West Germany as the "weakest" member of the alliance, and for failing to understand that "detente is over." Revel also denounced U.S. "failure" to force a Polish debt default, cancel International Harvester contracts with the Soviets and impose a grain embargo, and cut off high-technology exports to the Soviet Union. The audience did not appear to either recognize or mind the fact that such sanctions against Moscow would hurt no one more than the economy of the United States.

Enter Henry

After two days of such discussions, the conference participants breakfasted on Henry Kissinger's concluding address, for which he tried to don the mantle of statesmanlike spokesman for his cothinkers. "I don't think there is any question but that the alliance is in deep difficulty," Kissinger intoned, "and we do not do ourselves a favor" by pretending that things are all right.



Mr. and Mrs. Kissinger at a Washington event last December.

According major influence to the European peace movement, which in West Germany constitutes the major "left-wing" fascist forces deployed against the Schmidt government, Kissinger claimed that the "demonstrations in Europe . . . show above all the total intellectual collapse of the concept of an Atlantic strategy." Attacking the Europeans for failing to go along with a hard-line policy against the Soviet Union, Kissinger asked, "How much diversity can we stand?" The current level of agreement in the alliance is only "a consensus of the fearful," he said. "If it leads to paralysis and inaction, then the alliance will disintegrate because it will not be relevant to most of the issues that arise."

Kissinger, however, did not explain that his British sponsors would be the beneficiaries of such a disintegration of the Atlantic Alliance, as it would give the British, who otherwise wield little power as a *nation-state* in their own right, enhanced influence over both Europe and Washington.

In the conclusion of his speech, Kissinger declared that this "papering over of crises . . . cannot go on forever. . . . It is in our interests to try and bring some of these disputes to a head in some fashion." During the question period, he made clear that he considered Soviet-West German economic cooperation a prime target, endorsing efforts to force a cancellation of the Siberian-West German natural gas pipeline project. "We should make a major effort, and it seems to me cutting off the credits would be the best way to achieve this."

Plots against Schmidt

Throughout the conference, at which the featured participants from the United States also included U.N. Ambassador Jeane Kirkpatrick, leading "smash the pipeline" State Department operative Richard Perle, and "end of democracy" advocate Samuel P. Huntington, the behind-the-scenes machinations against Schmidt were even more blatant. CFW head Midge Decter told a journalist, "Schmidt responds to pressure. If we build up a lot of pressure, he will respond."

She added, however, that the CFW intends to found a West German branch in the near future, to be headed by Prof. Erwin Scheuch of the University of Cologne, who will work with the oligarchy's Prince Nicholas Lobkowitz and others to build a campaign against Schmidt over the Polish question. At the same time, they hope to rebuild the political fortunes of feudalist Franz Josef Strauss, the discredited Christian Social Union leader who lost his bid for the chancellorship to Schmidt in the last election. In private discussions, another conference participant and CSU parliamentarian, Franz Ludwig Graf von Stauffenberg, spoke openly of plans to eliminate Schmidt.

Abscam

Did the FBI murder a Williams witness?

by Andrew Rotstein

The shocking death under suspicious circumstances of Cynthia Marie Weinberg, estranged wife of FBI sting man Mel Weinberg, has complicated the intrigue surrounding the Abscam case of New Jersey Sen. Harrison Williams. Mrs. Weinberg's allegations that her husband perjured himself repeatedly with FBI complicity in a half-dozen Abscam trials had shaken the Justice Department's three-year-long project to its roots over the past two weeks.

Mrs. Weinberg's death came only two days after Senator Williams, who has openly counterattacked government political targeting and entrapment methods, was admitted to a New York hospital for emergency surgery, forcing postponement in the Senate vote on his expulsion, which had been slated for Feb. 2.

Marie Weinberg was discovered in the Palm Beach, Florida apartment of an acquaintance for whom she had been housesitting. A note was found next to her body, stating that all her allegations against Weinberg and the FBI were true, but that she could no longer stand Weinberg's abuse, which included public ridicule of her character and threats to take away their son. Although the media automatically portrayed her death as a suicide, preliminary evidence strongly suggests foul play:

- Within 24 hours of the Jan. 21 "20/20" national television broadcast which featured a lengthy interview with Mrs. Weinberg, she received a death threat from Weinberg's son by a former marriage. In response to the threats her attorneys, and syndicated journalist Jack Anderson, requested FBI protection as Mrs. Weinberg was a likely federal witness. FBI Director William Webster personally refused the request.

- Two days later, on Jan. 26 Marie Weinberg disappeared from her Palm Beach County apartment along with Mel Weinberg's diaries—documents that are reported to be devastating to both Weinberg and the FBI agents who directed the Abscam operation.

- A series of reports by neighbors indicate that the Weinberg apartment had been under surveillance by two white males in a blue Chevrolet for a 24-hour-period prior to Mrs. Weinberg's disappearance.