

Harriman Democrats are recycling the Andropov line against beam weaponry

by Graham Lowry

The U.S. "Eastern Establishment" has lined up with Yuri Andropov to attack President Reagan's decision to develop beam weapons that will defend the United States from nuclear attack.

Recycling the lies of the Soviet leadership that the new U.S. defense doctrine is a "first strike" policy are the policy makers and think tanks grouped around "old Soviet hand" Averell Harriman, his wife Pamela Churchill, former Cabinet officials Cyrus Vance and Robert McNamara, and their political action committee slush funds. This is the group which runs the Democratic Party's National Committee through California banker Charles Manatt, who is doing his best to rig the 1984 presidential campaign, and has already ordered Walter Mondale and its other designated "front-runners" to side with Andropov against the President. So far, 1980 presidential candidate Lyndon LaRouche, who had warned for five years of Soviet beam weapons development, is the only major Democratic Party figure to unambiguously support the President's decision.

The Harriman faction knows perfectly well the Kremlin's "first strike" charge is nonsense: didn't the President himself say that it could be in the national interest to share the new technology with the U.S.S.R.? The Harrimanites also know that the Soviet Union itself has been pouring immense amounts of scientific manpower and research funds into beam weapons technologies, and that the weird McNamara "balance of terror" doctrine known as MAD (Mutually Assured Destruction), under which the superpowers hold each other hostage with enough nuclear warheads to obliterate the human race, is finished. The fact is that clinging to MAD while only one superpower develops beam weapons can only lock the world on course to nuclear war.

It is their obsessive hatred of technology, industrial progress, and the republican nation-state that motivates the Harriman Democrats. Since Reagan's beam weapons decision promises to trigger a cascading series of technological breakthroughs that will permit the U.S. economy to produce its way out of the depression, it threatens the Harrimanites' "weaken the West" arrangement with the Soviets.

It is under these auspices that so many U.S. political figures are echoing Andropov's words in *Pravda* that President Reagan's call for the development of defensive beam

weapons is aimed at "acquiring a nuclear first strike capability" and will "open the floodgates of a runaway race of all types of strategic arms." They agree with Andropov that the U.S. defense budget must be cut, and they are lining up their assets in Congress to "freeze" U.S. defense policy to the Politburo's specifications.

The Soviets are counting on old Averell and his deputies to defend them. As a commentator in the Soviet military daily *Krasnaya Zvezda* wrote March 27, "Observers considered the House . . . decision to approve an 'alternative' U.S. draft budget for 1984 . . . a most powerful blow to President Reagan's prestige." Sen. Edward Kennedy's immediate response to Reagan's address was, "The Democratic alternative in the House is a far more responsible answer to the real defense needs of our nation than the misleading red-scare tactics and reckless 'Star Wars' schemes of the President."

The Harrimanites deployed on the Democratic presidential trail are evidently determined to prevent the American population from seizing the path to a higher level of security and real economic recovery. Since the President's speech, they have stepped up their attacks on the Reagan defense budget, and most have zeroed in on beam weapons.

Alan Cranston, a founder of the anti-technology World Federalists, called Reagan's plan "a nightmare of more and more spending. . . . Each questionable item in the budget should be evaluated carefully and prudently. One of the most dangerous is a deceptively minor \$1 billion item for an anti-ballistic missile system. That's four times more than we spent in previous years, but only a preliminary drop in the bucket for the tens of billions of dollars that Reagan would have us spend in future years to carry nuclear warfare into outer space."

Carter-hangover Mondale, appealing to make the world safe for MAD, added, "For strategic forces, we need weapons such as cruise missiles, Trident and Stealth [bombers] that will ensure a survivable, stable deterrent, not Star Wars fantasies or excessively expensive B-1s." Mondale called for canceling the MX missile, which Dr. Edward Teller and other scientists working on defensive beam weapons envision as the payload vehicle to put mirrors for laser weapons into orbit.

Gary Hart, the senator from the KGB-linked Aspen In-

stitute in Colorado, has demanded \$100 billion in defense cuts over the next five years, and "an emphasis on the kinds of weapons that work in combat, rather than those with the greatest technological complexity. I propose cutting such major weapons systems as the Nimitz-class carriers" for "less expensive, more effective alternatives." Along with these hardened-slingshot proposals, Hart urges, "We should seek to ban outright the use of weapons in space rather than emphasize space-based defenses."

Senator Ernest Hollings, a regular fixture at Pamela Harriman's Washington salon, has a doublespeak pitch: "America must retool, invest in the future, and put 12 million Americans back to work. To do that, we must begin by freezing the federal budget to reduce recovery-choking deficits. That sacrifice must be shared, even by the Pentagon." Eliminating major new weapons like the B-1 bomber, a Nimitz-class carrier, and the advanced F-18 fighter-bomber, Hollings' program calls for cutting \$175 billion in defense over the next five years.

Budget maneuvers

The common theme for these Harrimanite-KGB variations on how to gut U.S. defense capacities was injected earlier into this year's budget debate by "nuclear freeze" leaders Cyrus Vance and Robert McNamara. They have demanded that Congress cut nearly \$150 billion in defense spending over the next five years, especially "technologically complex" systems. McNamara went on national television the second week in April to spout Andropov's line.

The *Washington Post* rounded up various MADmen with the Andropov line for a story April 4 on the Reagan decision. The "first strike" charge was repeated by Seweryn Bialer of the Columbia Research Institute on International Change; former KGB agent Vladimir Petrov, now a professor at George Washington University; Kissinger flunky William Hyland of the Carnegie Endowment, who declared, "Andropov has said that the United States is going in the direction of a first strike"; and Raymond Garthoff of the Brookings Institution, who said, "The Soviets are going to have to look at this as having an offensive capability." Marshall Shulman, director of the Averell Harriman Institute at Columbia University, said that Reagan's initiative "raises questions about what the intentions of the administration are" and reinforces the "impression that this administration is not serious about arms control."

The Harrimanites in Congress are geared up for an assault on the defense budget centered on portraying the President's "compulsive overspending" as an addiction to warmongering. Like Andropov, they prefer to talk about "first strike" and "stopping the arms race" than to discuss the President's actual plan for eliminating MAD and the threat of nuclear destruction.

Perhaps they can explain why Andropov has prevented publication of the full text of President Reagan's March 23 speech in the Soviet Union.

SPIS: offshore banks aid drugs and crime

by Renée Sigerson

The Permanent Investigations Subcommittee of the U.S. Senate issued a report early last month charging that the \$1.7 trillion Euromarket system is heavily dominated by narcotics traffickers, smugglers, and organized crime cartels which are financially looting the United States. Entitled "Crime and Secrecy: The Use of Offshore Banks and Companies," the report is the outcome of a two-year study which has resulted in the best-documented account of the financial workings of criminal organizations ever issued by an official U.S. government agency.

Public charges that the Euromarkets work to the benefit of international organized crime, and operate largely as a cover for illegal activities, were first made in 1978. At that time, *EIR* editors David Goldman and Jeffrey Steinberg issued what became a best-selling documentary entitled *Dope, Inc.* demonstrating that the international narcotics trade, the "biggest business in the world," was conducted through the electronic transfer of funds provided in secrecy by offshore banking centers. Although the contents of that study were made available to numerous government agencies during the Carter administration, this documentation was heavily suppressed.

The subcommittee report indicates that the Reagan administration is attempting to escalate the "war on drugs" announced by presidential adviser Edwin Meese at the end of March, and the war on the Mafia, announced by President Reagan earlier this year.

The scope of criminal financial activities

The Subcommittee (known by the acronym SPIS), takes as its starting point the estimation by experts that the illegal economy in the United States ranges "from \$100 to \$330 billion" annually; that is, around 10 percent of total U.S. Gross National Product. Going from there, SPIS estimates the value of "foreign commerce" for illegal activities to be roughly in the same proportion as exports are to the U.S. legal economy, or about \$20 billion per year.

Although this estimate of illegally laundered funds emanating from the United States seems extremely modest, it is large enough to have led the investigators to consider the broadest range of channels through which funds are laundered out of the United States for concealment. The study reports that London is the leading center worldwide for the concealment of funds; and that two-fifths of all foreign banking activities conducted out of Switzerland are performed with other offshore centers, Switzerland being the center for