
PART II

George Shultz's 1984 campaign plan for pushing Reagan into the 'back channel'

by Richard Cohen in Washington, D.C.

The first installment of this article described how, since mid-April, forces associated with Secretary of State George Shultz and Henry Kissinger have entered into increasingly open collusion with Soviet chief Yuri Andropov and the KGB for the purposes of constructing a "back channel" of negotiations under their supervision between Andropov and the White House. In mid-April, the Shultz forces identified overlapping Reagan vulnerabilities to be manipulated: the failure of the White House to construct without hesitation its economic and foreign policy on the basis of the President's new strategic doctrine; and potential disasters in the Middle East and Central American hot spots combined with a sharp collapse of the world economy by late 1983-early 1984.

AFL-CIO President Lane Kirkland, now on the public record as an opponent of the March 23 Mutually Assured Survival strategic policy, and Israeli Defense Minister Moshe Arens, both Shultz intimates, have been recruited to aid in setting up the President for 1984 electoral blackmail. Shultz is the co-author with Lane Kirkland of "Project Democracy," on paper a bipartisan global outreach program whose purpose is to provide worldwide cover for espionage, propaganda, and special operations directed by the State Department, the AFL-CIO, and Israeli intelligence. Shultz has also pulled the administration into partially acquiescing to Israel's "Lavie Jet Plan," which involves not merely giving Israel the technology for making an advanced fighter jet, but is actually the hardware component supplementing Project Democracy.

Below, we elaborate how the upcoming presidential race fits into this picture.

During the week of May 16, the Center for a Democratic Majority (CDM), initiated in the late 1970s out of the remains of the 1976 Scoop Jackson presidential primary campaign, met in Washington, D.C. The committee includes the majority of the Democratic-linked Zionist Lobby and the foreign policy establishment of the AFL-CIO typified by Jackson, former Hubert Humphrey adviser Ben Wattenberg, U.S. Ambassador Jeane Kirkpatrick, and Adm. Elmo Zumwalt. This group represents the staunchest supporters of Project Democracy and Project Lavie. One of their chief activists is

former Jackson aide and current Assistant Secretary of Defense for International Security Affairs Richard N. Perle, the leading Pentagon opponent of the President's new March 23 defense doctrine. At their meeting, the consensus of CDMers sent an open signal to the White House. They wound up by questioning whether the center of the Democratic Party could be rebuilt.

Immediately, leading spokesmen for the liberal Harriman wing of the Democratic Party, typified by Hodding Carter, the former State Department spokesman for Cyrus Vance, attacked Wattenberg for supporting a bipartisan foreign policy (i.e., his support for administration policy in El Salvador). Carter charged that the Wattenberg approach would lead to electoral disaster for Democrats in 1984.

My White House sources confirmed that Shultz may well be moving to use his links to Kirkland, Arens, and the CDM to press the President and his future reelection campaign for policy concessions, including concessions on the Lavie program and arms control. Democratic Party sources have indicated that Kirkland, if promised such gifts as the ouster of Labor Secretary Ray Donovan, might accede to probable Building Trades union moves against AFL-CIO endorsement of any specific Democratic presidential candidate in December.

In 1980, Reagan obtained 45-47 percent of the blue collar vote. Full freedom for AFL-CIO affiliated unions to work for whomever they prefer would certainly increase chances for a comparable percentage of this vote for the President in 1984. Shultz's relationship to Arens and Kirkland could also be used to rally a sizable portion of the Jewish vote for the President—at a price. Shultz's own base among Republican liberals in the Northeast and Midwest opposed to Reagan defense programs could be portrayed to the President as electorally decisive.

The Greenspan card

The apparatus wielding these elements of the so-called center of the electorate will, according to White House sources, add one more asset to the electoral blackmail machine: the appointment of Alan Greenspan to replace Federal Reserve Board Chairman Paul A. Volcker in August. As this

reporter has documented, Greenspan was the foremost conspirator along with Kissinger in the attempts to force Reagan into drastic concessions at the Republican Convention in 1980. Greenspan and Kissinger attempted to sell former President Gerald Ford to Reagan as an attractive vice-presidential candidate who would then become "co-President"; control of the new administration's national security apparatus would be handed to the Ford/Kissinger group.

If the current debt crisis leads to a financial collapse, Shultz and Treasury Secretary Donald Regan will lose all policy influence. But if collapse is forestalled and crisis remains, Shultz is looking forward to Greenspan's strong bargaining position with the White House, once he is appointed, as the campaign period begins; with a strong upward pressure on interest rates under Greenspan control, Reagan would have to pay dearly to keep rates down.

Meanwhile a struggle is brewing among Reagan's top advisers over 1984 election strategy, with important implications for the relative strength of Shultz-allied constituencies. White House intimates are pressing Reagan to assign conservative Lyn Nofziger to run his reelection campaign, while White House Chief of Staff (and Shultz ally) James Baker III supports Stuart Spencer for the post.

A new Southern Strategy?

It is believed that Nofziger would favor a campaign strategy which would emphasize securing a majority bloc of electoral votes by concentrating on the West and the South as the highest priority. This so-called Southern Strategy would tend to reduce the bargaining weight of the Zionist Lobby and liberal Republicans.

Another factor that many believe would weaken Shultz's brokering strength would be the selection of Mondale at the Democratic National Convention—and a public consensus leading up to the convention that Walter Mondale, the current frontrunner, would get the nomination. It is widely believed that Reagan, even under adverse economic and national security conditions, could beat Mondale. In addition, Mondale is extremely close to both the Zionist Lobby and the AFL-CIO and would be strong in those two constituencies, the very ones Shultz would be brokering, making Shultz's hand weaker. But White House sources believe that Reagan would face his toughest national test against Sen. John Glenn (D-Ohio). Glenn would challenge Reagan for the important independent vote and be a more credible threat to Reagan in the South. Thus, facing Glenn, the President would be under more pressure to buy the Shultz package.

While campaigns can and will change, the Mondale campaign has already demonstrated that it will attempt to string together a coalition of liberal constituencies in the Democratic primaries. There is now a growing consensus among Washington campaign watchers that if Mondale maintains this course through the summer and fall, and Glenn continues to pick up following his stunning early rise in the polls, several important developments will begin to take shape.

The Democratic picture

First, the more-liberal-than-Mondale Gary Hart and the KGB front Alan Cranston will tend to see their campaign efforts collapse as their ultra-liberal followers rush to aide Mondale in a "stop-Glenn" effort. If that fails, the stop-Glenn effort will turn to Edward Kennedy. Washington intelligence sources report that Kennedy, who those close to the family adamantly say would not run, would run—if he were assured the nomination by acclamation and a favorable chance of beating Reagan. These two conditions are unlikely to be met. What is sure is that, as this process evolves, liberals like New York Gov. Mario Cuomo and others, including Arizona Gov. Bruce Babbitt, will move to increase their bargaining position by taking their states' delegate votes to the Democratic Convention by running as favorite sons in their home state primaries.

Glenn may be decisively buoyed if Jesse Jackson decides in August to run a black candidacy in the Democratic primaries. By current estimates, such a move would cost Mondale 5 percent of the vote and particularly hurt him in the South. Democratic Party sources tell me that Jackson has over the years maintained close ties to the CIA and that the recent split in the NAACP pitted Benjamin Hooks supporters who oppose a black candidacy and are generally pro-Mondale, against supporters of Margaret Bush Wilson, a liberal Republican who is not opposed to a black candidacy and the effect it would have on the Democratic primaries and thus on brokering scenarios within the Reagan campaign.

Through a Glenn candidacy, Shultz can better press the electoral necessity of the three constituencies he represents. In addition, Shultz and his associates will then be the key to the back channel to Moscow, something that Shultz hopes Reagan will desperately need as the peace movement revives in response to Shultz-manipulated foreign policy disasters in Central America and the Middle East.

Andropov will give Shultz all the help he needs to make the warmonger label stick, while Shultz tells the President the only way to overcome it in an election year is to go to Moscow. Pressure to make concessions on the March 23 commitment and strategic modernization will also come from Shultz friend Greenspan, who will demand major cuts in the defense budget in order to reduce the federal deficit and restrain the growth of interest rates in an election year.

In its place, Shultz would promote the security proposals of his three constituencies—a bipartisan foreign policy based on Maxwell Taylor's doctrine of conventional wars of depopulation in the underdeveloped sector.

There are two ways to avoid this national disaster. Either the President moves swiftly to eliminate short-term strategic vulnerabilities through an emergency wartime-like mobilization of the U.S. economy based upon the rapid development of the technologies behind the antiballistic defensive weapons systems and runs his 1984 re-election campaign on this policy. Or several Ibero-American countries torpedo the Shultz Plan with a debt bomb this summer.