

# EIR

Executive Intelligence Review

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Kissinger, IMF blamed for murder of top drug fighter  
Europe's banks order U.S.: Grab Ibero-American equity  
The Aquarian Conspiracy is failing in the steel belt

**Euthanasia today: the case  
for a new Nuremberg Tribunal**



# EIR Special Reports

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# EIR

## From the Managing Editor

**M**urder will out, wrote Geoffrey Chaucer, as he was helping to build a renaissance in the midst of England's 14th-century Black Death. At this moment, we face a moral plague. In the United States, as *EIR* documents in this week's Special Report, the Jesuitical strategists of depopulation have profiled the "practical" outlook of the citizenry, their preoccupation with immediate pleasure and pain, cost and benefit, and their heedlessness of history, to instill a public toleration of murder of the elderly, "defective," and ill. Assembled under the direction of Nancy Spannaus, U.S. chairman of the international Club of Life, the report documents the scope of the euthanasia assault against individual rights and the nation's survival.

The Nuremberg Codes were promulgated in order to prosecute the architects of genocide *before* millions more people are annihilated. They must be applied *now*. That will not happen unless Americans take action.

Now we come to the April 30 assassination of South America's most courageous and successful fighter against the narcotics traffic and its controllers: our friend Rodrigo Lara Bonilla, justice minister of Colombia, at the hands of Henry Kissinger's accomplices. The Kissinger faction, which Americans have allowed to re-take policy influence in Washington, openly insists that the narcotics trade be safeguarded and expanded so that Ibero-America can pay its creditors with drug revenue.

How many more drug-destroyed lives in North America, how many more ravaged nations among our southern allies, before the "top salesman for organized crime," as *EIR* founder Lyndon LaRouche describes Kissinger, is called to justice?

Certainly the purveyors of narcotics and the proponents of legalized murder are the spawn of the same policy faction. The consequences of their policies converge toward a new Dark Age in which a human being is nothing but so much flesh. Will Rodrigo Lara Bonilla be the last on Kissinger's hit list, or only the latest? Will those who fought in World War II against the Nazi exterminators have fought in vain?

*Susan Johnson*

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UPI/Bettmann Archive

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## European bankers dictate their debt plan to U.S.

by David Goldman

New York Fed chief Tony Solomon will assemble ranking central bank officers from industrial and developing countries in New York on May 9 for a stage-managed fight between Europeans and Americans over the Third World debt issue. U.S. and European central bank sources confirm that the Europeans—whose banks can and will write off Latin American debt—will propose a global cut in interest payments, longer maturities, and writedowns, while the Americans, whose banks can't afford the losses, will demand further short-term patchwork in order to keep accruing interest.

A New York Federal Reserve officer confirmed the planned meeting, first reported by the London *Financial Times* May 2. The French, with some European support, will propose elaborate plans for refinancing the Third World debt burden, which the Americans will reject, by pre-arrangement among the participating central banks. However, Solomon will use the fight over these plans to offer a form of concession to the European viewpoint, in the form of a "cap" on interest rates on bank debts of developing countries. This will be the first official American move toward forcing American banks to sacrifice current income and perhaps capital in the course of renegotiating Third World debt.

### Debt-for-equity programs

A May 2 editorial in the *Financial Times* (see below) declared that the short-run programs were now a disaster, and that both the banks and the developing nations had to suffer as a result. By "banks," the British mean American banks. The editorial concluded with a demand that the developing nations give up sovereignty over their natural re-

sources in a "debt-for-equity" swindle to benefit their British and Swiss creditors.

A French central bank source reported: "There will be a divergence of opinion between, on the one hand, the French and to a certain extent the Europeans, and on the other, the Americans. The French believe that the debt burden has to be lightened and that interest rates have to decrease. You have an opposition in the United States between the liberals and the 'interventionists' who want to 'intervene,' like France, but that can lead to some bad effects in the whole system. In Europe, France is getting some results in moving its partners in that direction; they are somewhat changing their position, like the Bundesbank, for instance, which now agrees a bit to support our thesis rather than the American one."

The official added that France will propose a form of "sinking fund": "It would work like an international company; capital would be gathered from different quarters and with this capital, debts would be refinanced with extremely low interest rates, which would come down to a consolidation of the debt. . . . With very low interest rates, you arrive in fact at a cancellation of the debt after a while. But it is to be feared that U.S. interest rates will remain high and together with the rise of the dollar, this makes the debt heavier. . . . Creditor banks, for instance, could cancel 5% of what they are owed, with a relaxation of interest rates and some government help, it could work."

A Solomon aide derided global debt refinancing schemes as "perpetual-motion machines" which "simply try to transfer sovereign risk from the private sector to the public sector."

However improbable the grander schemes are, Tony Sol-

omon has already prepared the grounds for a crunch against the American banks, e.g., his proposal in congressional testimony on May 3 for a "cap" on interest rates in lending to the Third World—a formula for bank losses when Eurodollar interest rates are still rising. A source at the office of the Controller of the Currency, the Treasury bank regulator, says that banks will have to capitalize the difference, i.e., add it to the principal sum without collecting current income. The interest capitalization approach was supported last fall by German and Swiss banks as preparatory to writing down the principal. For obvious reasons, it was bitterly opposed by the big American banks.

Last month's court decision, much discussed in the press, giving Costa Rica the equivalent of Chapter 11 status with respect to American banks, also pushes banks toward significant writeoffs of both current income and principal.

Barring a change in Reagan administration policy, the best-case scenario would blow a hole in the capital positions of major American banks, as Solomon's proposals imply. This means a credit crunch in the United States. Banks expanded their loans at a 16% annual rate during the first quarter, and at a 30% annual rate during March, an ominous sign at a point where the economy has slowed. It points to rising unsold inventories and potential illiquidity.

In the worst-case scenario—worst for the European strategists—the Latin American nations could follow through the implications of the March 31 joint rescue package for Argentina, and break out of the IMF's harness on the occasion of the June 30 or Sept. 30 quarterly deadlines, causing much greater disruption of the banking system.

### Eurodollar market in jeopardy

As *EIR* has reported, American banks borrowed net \$13 billion from the Eurodollar market in the third quarter of last year, \$20 billion in the fourth quarter, and probably over \$40 billion (including the big oil-merger loans) during the first quarter. (See table.) Eurodollar loans to U.S. borrowers have replaced buildup of official reserves, Ibero-American flight capital, and portfolio shifts as the principal source of funding for the American deficit and other credit demands.

Disruption of these flows, either through upheavals in the Eurodollar market itself, or damage to the capital base of the American banks, implies a credit crunch, possibly on the scale of the March 1980 massacre.

In the very short term, continued fears concerning Western Europe could continue to buoy the dollar and alleviate U.S. conditions by bringing in additional portfolio funds. The sharp decline of the dollar on May 3-4 (coincident with a rise in Eurodollar 6-to-12-month interest rates) does not necessarily spell the end of dollar strength, but the above line of development implies a major dollar decline.

The Anglo-Swiss view was made more explicit in an editorial in the Swiss journal *Neue Zürcher Zeitung* of May

1 entitled "Dual Priorities in Debt Management," which underscores sharply the difference in views between U.S. and European banks: "The different interests of the banks on this and that side of the Atlantic are quite inappropriate to contribute to stabilizing the situation." After cooperation has prevented a collapse, *NZZ* writes, "the task is now to use the time gained and what has been achieved for a consolidation."

The American banks, the Swiss say, have a problem: Their interests favor "securing interest payments even though this means the extension of further dubious loans." Under the subhead "Short-Sighted View," the *NZZ* continues with the example of Argentina and its arrears, amounting to de facto default. Even though formal default was narrowly averted, "few observers would be surprised if within two months we did not arrive at a similar drama. . . . The international banks—if they were united—have something to contribute

### Flows between the reporting banks and outside area\* countries, 1981-83

(billions of dollars)

	End 1980 to end June 1982	End June 1982 to end June 1983
<b>Gross borrowings</b>		
OPEC .....	9.1	13.0
Non-OPEC LDCs .....	55.3	16.8
of which Latin American ...	42.3	9.0
other .....	13.0	7.8
Developed countries .....	26.0	14.2
Eastern Europe .....	1.7	-2.7
<b>Total</b> .....	<b>92.1</b>	<b>41.3</b>
<b>Gross deposits</b>		
OPEC .....	-3.4	-25.2
Non-OPEC LDCs .....	13.0	11.8
of which Latin American ...	4.4	4.7
other .....	8.6	7.1
Developed countries .....	3.5	1.7
Eastern Europe .....	-2.3	7.3
<b>Total</b> .....	<b>10.8</b>	<b>-4.4</b>
<b>Net borrowings</b>		
OPEC .....	12.5	38.2
Non-OPEC LDCs .....	42.3	5.0
of which Latin American ...	37.9	4.3
other .....	4.4	0.7
Developed countries .....	22.5	12.5
Eastern Europe .....	4.0	-10.0
<b>Total</b> .....	<b>81.3</b>	<b>45.7</b>

\*Group of 10 industrialized nations plus Switzerland.

Source: Bank for International Settlements Quarterly Report.

in order to attenuate the bottlenecks or at least to spare the monetary system unnecessary shocks. At the same time, they would make themselves less vulnerable to the attempted blackmail of individual debtors.”

In short, U.S. banks which are hysterically fixated on their quarterly results, have not provisioned their loss accounts, and are creating an immense risk. “Things go much differently in Europe. In Switzerland, West Germany, or Britain, the banks are far less subjected to short-term pressures and short-sighted quarterly profit maximization. . . .” The task is to “restore the solvency of the debtors,” i.e., to prevent the formation of a debtors’ cartel, but “The policy of American banks goes exactly counter to such aims. Instead of contributing to long-term securing of the capital value of their assets, they concentrate on short-term securing of debt-service. The U.S. banks will have to accept restructuring, for some of the creditor banks are not prepared any longer to throw good money after the bad. And this group is not only recruited among European banks, but also among those American banks which feel beaten over the head by the *diktat* of their big brothers in New York.” The warning is clear.

A parallel line is expressed in a London *Times* feature May 1 on the upcoming Group of 10 economic summit which compares the growth of “a kind of Euro-nationalism” to that of “neo-isolationist trends in the United States,” after having expressed “nagging doubts about the nature of the U.S. recovery and growing differences over the handling of the global debt crisis.” This all “sows the seeds of discontent” among allies. European governments, it is asserted, “want the agenda . . . to include proposals to create a new mechanism for restructuring debts of the Third World countries at a time when more are expected to follow the lead of Argentina in seeking stretched-out payments for short-term obligations. But the U.S. is adamantly opposed to that. . . .”

“Critics of that policy contend that a pattern appears to be developing among debtor nations, particularly Latin American nations, which cannot be ignored. . . .” Even Chile recently defied IMF orders and went on an “expansionary economic policy” which was “regarded as a harbinger of Third World discontent.” If additionally U.S. interest rates, “as is widely expected,” climb from today’s 12% to 15% and more by year’s end, “the debt problems in NICs [newly industrialized countries] and LDCs [less-developed countries] can only grow worse. This explains the European push for a more coherent policy on Third World debt” and the probable confrontation at the summit around that.

Then there was a *Financial Times* piece by British Treasury/Bank of England loudspeaker Samuel Brittan May 1, “Freeing the Fed from LDC Straitjacket,” which argues that the United States, rather than the Fed, should not let itself be impressed by arguments that interest rate hikes jeopardize LDC debt repayment; given the fact that U.S. inflation is powerfully rebounding and should be expected to soar to “well over 7%” this year, it is urgent to tighten the screws in

the United States, and give some unspecified “special help” to LDCs to get by for the duration—which he hints should be in the form of forcing commercial banks to lend more. By November, the propaganda mills would thus be in full “out-of-control-inflation-must-be-corrected” swing, gearing the United States into a wild deflation, and administering the coup de grâce to the LDCs.

## ‘Equity to consolidate debt’

*London Financial Times, May 2, editorial, “When Evasion Has to Stop” :*

The news that the Federal Reserve Bank of New York has invited a high-powered group of central bankers from creditor and debtor countries, and some commercial bankers, to take part in a three-day seminar on international debt is welcome news, as far as it goes. At last those in authority are willing to think in semi-public what they have confided so far to each other and their pillows: The hand-to-mouth process of re-scheduling the adjustment packages which has occupied the last two years is an inadequate answer to the debt problem. . . .

It would be naive, though, to expect very much of this meeting; three days is far too short a time to get to grips with the whole range of problems involved, and at the outset the motivation still looks wrong. The operations so far have been widely and not too unfairly caricatured as a process designed to rescue banks rather than debtors. In recent weeks, this has become clearer: the sudden softening of the IMF terms offered to Peru, and the general conspiracy to overlook the fact that Argentina is making virtually no actual payments to meet its obligations, shows that sheer evasion still has a high priority. . . .

The new effort to seek more solid and longer-term solutions seems to have arisen not so much from dissatisfaction with this charade as from the problems faced by the Federal Reserve. . . . [T]he fear of the consequences of any sharp rise in short-term dollar interest rates has compelled the Fed to take the pressure off the U.S. banking system and fund longer, in British style. The Fed now needs its own rescue package to restore its freedom of action.

This is certainly a serious problem, but it does reflect an underlying economic reality: if debts which cannot be serviced at the real interest rates now prevailing cannot be written down either, then eroding through inflation is the only solution left. The “solution” which now appears to be popular among the U.S. authorities, to capitalise some or all of the interest payments due from debtor countries, is simply an attempt to evade this reality by postponing the day of settlement—a view which the U.S. authorities themselves preached more loudly than anyone until recently.



Unless any time bought in this way is used to address the fundamentals, delay will only make matters worse. The meeting will be really useful if it rejects the Micawberish approach of buying time. . . .

The trouble is that the fundamental problems are pregnant with acute discomfort for everyone concerned. The commercial lenders, for example, have to face the question whether it would not be better to sell some of their claims at a loss and so regain commercial freedom. They naturally prefer to hope for an official Fairy Godmother.

For governments the questions are still more painful because they are political. The U.S. could help immeasurably by substituting some fiscal for monetary restraint; but higher taxes are unpopular. All developed countries could help debtors (and consumers) by a more open market for developing-country exports; but it is protection which wins votes. The banks may have some reason for their obstinate hope that in the end some form of subsidy will be less politically painful.

The debtor countries also have some questions to face—not so much on adjustment policies but on economic nationalism. Foreign equity investment would not leave a debt problem behind. And the monetary authorities have yet to display any imagination in seeking ways to consolidate debt in forms which would insulate debtors from the short-term twists of U.S. monetary policy, using not only bonds but equity, and perhaps commodity indexation. We hope that some at least of these topics will be put on the agenda in New York; in three days we can hardly hope for more.

*The New York Times, May 4, column by Leonard Silk, "The Dangers in Debt Crisis":*

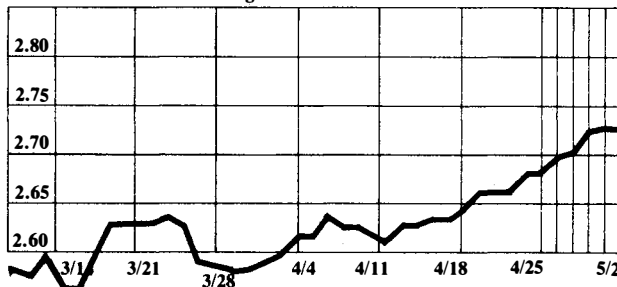
Robert V. Roosa, a former Undersecretary of the Treasury for Monetary Affairs who is now a managing director of Brown Brothers Harriman . . . sees a growing need for the United States and other countries to help raise a great deal of money—\$100 billion for openers—to convert short-term debt into long-term debt and ease the burdens of the debtor countries. . . . Peter Kenen, professor of economics at Princeton University, has proposed that private banks trade in their risky loans to developing countries for 10- to 15-year bonds to be issued by a new international organization. . . .

At the New York conference next week, Henry C. Wallich, a governor at the Federal Reserve Board who is its top international expert, will suggest splitting the interest that developing countries pay into real and inflationary components, with the latter being added to the principal of the debt outstanding . . . thereby scaling down their payments without wiping out the debt. Mr. Wallich will also discuss a plan for insuring private bank loans to the debtor countries. . . . [T]he insurance plan or rescue operation will have to be done by governments operating through international agencies and central banks. . . .

## Currency Rates

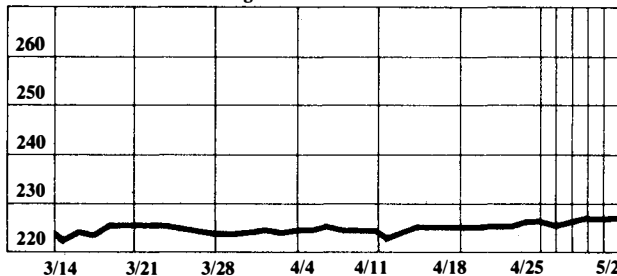
### The dollar in deutschemarks

New York late afternoon fixing



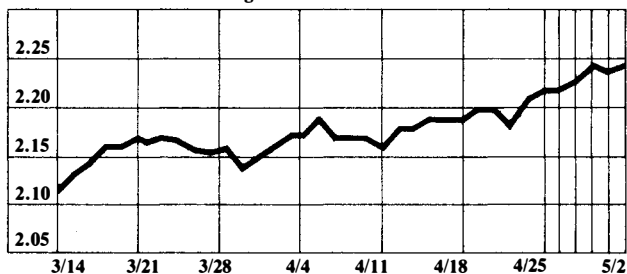
### The dollar in yen

New York late afternoon fixing



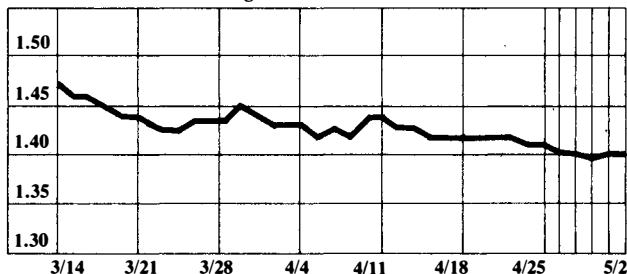
### The dollar in Swiss francs

New York late afternoon fixing



### The British pound in dollars

New York late afternoon fixing



# IMF defeats direct elections as Brazil heads toward ungovernability

by Mark Sonnenblick

Early in the morning of April 26, the International Monetary Fund succeeded in imposing its major political conditionality on Brazil. A constitutional amendment which would have provided for direct elections of a new president this year was blocked from passing the Congress by the army's bayonets.

The Fund had instructed President Figueiredo that it would not tolerate such democracy. U.S. Treasury Undersecretary Tim McNamar and Commerce Undersecretary Lionel Olmer were but the latest to insist that direct elections would undermine present debt arrangements. The 7 million marchers in the streets of Brazil's cities since January whom Figueiredo defied also knew that no democratically elected government would continue abject submission to foreign creditors.

## 'Don't blame the IMF'

So, martial law in the capital of Brasilia for a week prior to the vote instructed the Senators which way to cast their ballot—or face a military coup.

Three Brazilian children die every hour from poverty-induced causes. That number is rising as Brazil sacrifices its internal needs to comply with creditor conditionalities. Social pressure will continue to build, whether or not normal political channels are kept open, and creditors' pressures will also continue to build.

The *New York Times* commented May 1 on the April 22 Dominican Republic riots, recalling the warning President Blanco made on the consequences of accepting IMF conditionalities. But then the *Times* states: "That warning applies also to other nations trapped on the debtors' treadmill. *But it is no answer to blame the IMF for doing its job.* Better ways need to be found to reward a society for accepting austerity. . . ." Similarly, "adjustment is unavoidable," editorializes the *Washington Post* May 3. If a country rejects the IMF, "adjustment would take the form of a collapse of the currency and an abrupt end to all imports—threatening not merely austerity, but actual starvation."

And so, a nation approaching 150 million is being driven toward the mass bloodshed seen recently in the Dominican Republic. By rejecting direct elections in order to preserve genocidal austerity, the government has forfeited its last shreds of credibility and popular support. The power shown in the streets left a profound impression on the population. It could

well revive in a few months in one form or another, and may lead to social unrest which will make the Dominican instability seem small in comparison. The question now is not whether Brazil will become ungovernable, but when.

During April, as Figueiredo made clear he would prevent direct elections at whatever cost, the creditors cleaned up Brazil's accounts. Another \$875 million in new money was added to the \$3 billion disbursed in March. These funds, combined with income from record monthly trade surpluses based on slashing imports 44%, permitted payment of almost all categories of arrears.

There are reasons why warnings such as those of political risk analysts Frost and Sullivan that Brazil is a "very bad risk" are being ignored:

1) It is a dramatic profit center: Brazilian loans fetch an average of 15% including fees—3% over prime, and at least 6% over U.S. inflation.

2) Banks are rebuilding their Brazilian portfolios to prepare for what they think will be profitable debt-for-equity conversions, of the type exhibited when the large Alfa industrial group of Mexico agreed to convert hundreds of millions of its foreign debt into more than 30% foreign-creditor ownership in its companies.

## 'Brazil at the price of a banana'

While a Brazilian default was averted March 31, few believe that the mishmash of banking gimmicks keeping Brazil afloat can be duplicated again, or will even last through 1984. Everyone realizes that a structural change is needed. The \$100 billion question is whether the structure that gets chewed up is the structure of the debt or the structure of Brazil.

The IMF "adjustment" program's effects are clearly visible: a doubling of inflation; a 25% reduction in real wages; reduced food consumption; increased infant mortality. The less evident effects are: emplacement of mechanisms to guarantee that once-creditworthy state-sector companies are starved of capital, and private-sector firms are decapitalized through record-high interest rates, making them desperate to obtain capital even at the risk of losing management control.

These changes leave little doubt that the next phase of debt renegotiation will center on the conversion of debt into

equity, first proposed by Henry Kissinger in August 1983 Vail, Colorado meetings, using the British East India Company model for transforming debtors into colonies.

Investment banker Felix Rohatyn recently paraded his recipe for "debt relief" in the Brazilian weekly *Istoe*. Brazil would turn over its debts, on which it now has to pay 14% interest, to a subsidiary of the World Bank or the IMF, "and the banks would get notes issued by the same IMF-II and guaranteed by the governments of the industrialized countries . . . and by a percentage of each developing country's trade surplus." In return, "Brazil would have to continue with the IMF . . . clearly with permanent controls on spending by state enterprises. It would also have to adopt a more open policy towards foreign capital investments. And, in this light, numerous public-sector companies would be passed over to the private sector. . . ."

Brazil's central bank head, Affonso Celso Pastore, likes the idea of a "Brazil Fund" managed by a subsidiary of the World Bank; it would be a receptacle for cruzeiros in lieu of dollar debt obligations, and snap up ownership of Brazil's public and private companies. Another variation being pushed by Olmer and McNamar would implement the changes in Federal Reserve Regulation K first disclosed by *EIR* in February. The Brazilian central bank would pay 65% of the interest on foreign debt in hard currency and up to 35% into blocked cruzeiro accounts, which would then be rendered negotiable and sold to prospective investors in Brazilian companies.

The weekly newsletter *Relatorio Reservado* quotes Brazilian banking sources saying, "With the debasement of the cruzeiro in relation to the dollar, the national patrimony would be sold at the price of a banana."

## Economic warfare

Many creditors are resisting debt-for-equity schemes because laws heavily tax those foreign-enterprise profits averaging over 12% of capital per annum. Foreign investors will not act until they get irreversible changes to permit extraction of windfall profits. Brazil's laws also protect strategic sectors of the economy such as petroleum, iron mining, banking, and computers from foreign control.

The Reagan administration, which flatly turned down the Dominican plea for intercession with the IMF to ease conditionalities, is also acting as the usurers' errand-boy in this case. The United States is hitting Brazil with economic warfare, using pressure points which include exclusion of Brazilian steel from the U.S. market through duties, and unexplained postponement of \$1.5 billion in U.S. Eximbank trade-credit guarantees. The threat to close Brazilian steel out of U.S. markets is a *political* offensive to force Brazil to end protection for the domestic computer industry, open up fully to foreign investors, and give long-term political guarantees against sovereign action on foreign debt.

## Military moves against direct elections

Never since the March 31, 1964 coup has the military been so divided. In 1964, the conservative middle class marched in the streets urging the military to take power. Twenty years later, the same middle class, the bankers, and the industrialists were in the streets with the masses peacefully demanding an end to the IMF dictatorship. President Figueiredo sacrificed the credibility of the ruling PDS party and of the military in order to defeat that demand.

Figueiredo threatened PDS congressmen a week before the critical vote with a right-wing coup, saying a free vote "would mean handing the country over to the most radical leftists." Such predictions did not jibe with polls, which showed that Vice-President Aureliano Chaves would be the direct-elections victor. But the threat was clear.

The press has been told to publish economic stories with upbeat headlines—not an easy directive to follow. The only thing upbeat is the export boom, fueled by subsidies, real wage reductions, and a further decline in terms of trade. The internal economy is dramatically shrinking, and the population knows it. Inflation eroded the legal minimum wage to below \$10 per week, before it was raised May 1. First National Bank of Boston calculates that the total payroll was probably down 25-30% in real terms in one year. Larger export crops which have displaced food crops are causing shortages which have inflated food prices. Public health has broken down in many places. Malaria cases reported in the first quarter were up 74% from last year due to restrictions preventing the importation of the active agents of DDT.

## What next?

Aside from a flurry of violence April 26, when police broke up a small protest march in downtown São Paulo, most of the 7 million people who had marched for direct elections reacted with passive despondency.

Yet, the political mass strike has proven that the two pro-IMF front-runners for the presidency, Paulo Maluf and Mario Andreazza, would face such universal repudiation that neither would be able to govern the country. President Figueiredo will soon offer Congress an alternative amendment for direct elections in 1988, thereby reducing the next president's term from six to four years; Congress will be given more power over economic questions and more time to veto presidential decrees. The opposition parties are expected to try to strike a bargain for direct elections in one or two years, with an interim transition president. These negotiations are likely to drag out over several months.

But Brazil's is not a crisis that will follow anybody's political calendar. The economic realities could bring a popular explosion within weeks. The political system has failed the hopes of the people. The Brazilian population may have a longer fuse than the Argentine or the Dominican, but when it explodes, no one can predict the outcome.

# 'Surge' capability for war is now the Soviets' top economic priority

by Laurent Murawiec

On Feb. 21, the Soviet Armed Forces daily *Red Star* published a piece by Warsaw Pact Chief of Staff Marshal Viktor Kulikov calling for a new, powerful wave of conventional military build-up, and declaring that the economy must meet the requirements of the mobilization. He was echoing Defense Minister Marshal Ustinov, who had announced a few months before in *Pravda* on Nov. 21, 1983, new "sizable resource allocations" to the defense sector "because of the gravity of the threat caused by the military build-up undertaken by the United States. . . ."

But Moscow knows perfectly well that for the past 20 years at least, the United States has not had an *offensive* military doctrine, nor the strategy, the equipment, the training, or the hardware demanded by such a military doctrine. Soviet propaganda is covering up for a decisive change in the Soviet economy, from a society and an economy "appended" to a military machine into an actual war-fighting mode. Or, in Soviet terminology, into generating a "military surge production capability" that immediately precedes the use of accumulated military hardware. A useful comparison would be with Nazi Germany's Four-Year Military Plan of 1934-38.

In his April 29 speech, Chernenko came closer than any other Soviet official to acknowledging that the Soviets are pouring resources into the development of beam weapons for anti-missile defense, the policy for which Moscow denounces the United States. As long as the United States engages in aggressive designs, "we will keep our powder dry," so that "any aggressor will receive immediate retribution." And there will be "new defense technologies," which "will make it possible to defend our country."

## Short-term moves

A series of short-term measures and decisions also points to the acceleration of the military build-up:

- **Forced labor:** On April 29, Communist Party secretary-general Chernenko, "in response to letters from many workers," announced an overwhelming desire on the part of workers to "contribute" to the economy in the form of "voluntary hours"—unpaid, of course. The proceeds will go to a

National Defense Fund, such as existed during World War II. In December 1983, the Central Committee had approved a return to three shifts in Soviet industry. Even though the populations's consumption has been consistently *lowered* over the last decade, while its mortality rate has significantly *increased* over that period because of massive cuts in the health budget, Chernenko's implied threat was that unpaid work will be made compulsory if volunteers do not flock into the factories.

In March, the "workers" who built the Baikal-Amur Railroad "volunteered" in their socialist ardor to complete this railway, which doubles the Europe-Siberia transportation capability, in one year instead of two. Granted that many of these "workers" are simply slave laborers of the Gulag, the Bratsk-Sovietskaya rail link will play a crucial role in the wartime autonomous-survival potential and the operational capacity of the Far East military districts, which are supposed to be able to become a second national command.

- **Mobilization of child labor:** A school reform was announced on Jan. 4, was set into motion by Yuri Andropov in June 1983. The emphasis is on "vocational training" and an early start of technical specialization, rather than on scientific education, and the graduation age has been lowered by one year. From the fifth grade, children will "produce uncomplicated products on orders of factories." From the eighth grade, pupils will have to work "as pre-apprentices in production combines and in workshops." In the 10th and 11th grades, one day a week will be spent "learning the job at the point of production." Summer holidays will be shortened. Senior officials of the education ministry who briefed Western journalists on the subject last March "thought it necessary, without being asked, to bring up the theme of 'child labor,' in order to dispel any suspicion that the reform meant its re-introduction," according to the *Neue Zürcher Zeitung*.

- **Propaganda push for economic militarization and resource conservation:** The Russian war mobilization was the theme of this year's celebration of Lenin's birthday on April 22. Vladimir Dolgikh, a Central Committee Secretary with responsibility for heavy industry and energy, chose to highlight Lenin's economic writings from the brutal period

of "war communism," during the Russian Civil War of 1918-21. *Red Star*, in a long April 20 article by economist V. Kushlin, stressed the importance of technologies like lasers and flexible-application automated machine tools, which are important for the integration of the whole Soviet economy into the defense sector. Both Chernenko and *Red Star* admonished the population to conserve resources strictly. The reason given by Chernenko was to save fossil fuels for future generations, but the immediate purpose is the military drive.

● **Looting the East bloc:** The Comecon satellites have been squeezed in an unprecedented fashion in the last few years, a trend that may be aggravated by decisions announced at the upcoming Moscow Economic Summit of the CMEA. Relative to 1980, a recent report estimates that net investment by 1982 had fallen 32.4% in Poland, 26.3% in Romania, 24.4% in Czechoslovakia, 22.6% in East Germany, and 20.7% in Hungary. On top of the effects of the world depression and Eastern Europe's debt burden, the Soviets are exacting further primitive accumulation of capital from the rest of the bloc. Only in Bulgaria, which is often called the 16th Soviet Republic, did investment rise, with special help from the Soviet Union. Economic expert Jan Vanous, who released the study, explained that unrealistically low depreciation rates and the failure to take hidden inflation into account were in fact "seriously overstating the rate of investment," but that the fundamental cause of this astounding collapse was "a rise in spending in military hardware . . . and thus an even greater fall in civilian expenditure."

Mortgaging the future of Soviet workers' productivity and Comecon output means either extraordinary stupidity, or the conviction that such problems as are being created do not really matter on a strategic scale since they will be solved either by war, or by the political and economic results of a successful threat to go to war.

## Infrastructure

Soviet military doctrine prescribes that strategic requirements must order every decision taken in the economy. In a book written for the General Staff in 1981 by expert Posharov, *The Economic Foundations of the Defense Might of the Soviet Union*, the idea was developed that further expansion and construction of large cities was to be avoided, and small-to medium-sized cities preferred, with labor distribution and a rationalized transportation system aligned on these criteria. All recent major decisions in the Soviet economy meet these requirements.

The great projects of river diversion in Siberia, aimed at bringing the waters of Siberian rivers, which flow south-north into the Arctic basin, down to arid Soviet Central Asia, have been abandoned. The environmentalist doctrine that the Holy Body of Mother Russia must not be touched has influenced such decisions. But it is precisely the military leadership which is most strongly defending such doctrines. These projects would represent an immense investment—of the

kind not undertaken when the slogan is war preparation. They would also represent a tremendous productivity boost for abysmally unproductive Soviet agriculture. But the ordering of priorities has been altered.

## The energy question

The most important question mark regarding the Soviet economy is energy policy. Despite all official speeches to the contrary, the ambitious nuclear energy development program appears to be hobbled. The targets of the 11th Five-Year Plan will be missed by an extraordinary margin of 50%. An increment of 50 gigawatts in installed capacity was called for, but only 25 GW will be reached at best. Only *one* nuclear power plant was connected to the national grid in the course of 1983. The Soviet fast-breeder program, off to a promising start with the already functioning Chevchenko reactor in the Ukraine, has reportedly been postponed by approximately 10 years, to 1996.

The ministry which oversees the giant Atomash project on the Caspian Sea, designed to churn out nuclear stations like an assembly plant, was put under military control last year after a scandal which caused the demise of a number of ministers—the officially announced charge was that the project was built on swampy sands. Long delays in materials delivery and severe quality failures are also said to have occurred. The military has also taken over the ministry that controls the Soviet power grid.

Under the military junta, Soviet research in controlled thermonuclear fusion, which, until 1975, repeatedly presented vanguard results at international fusion conferences, has been put under wraps. The Soviets are trying to give the impression that the programs have been killed. Visitors to the Kurchatov Institute of Moscow, the former center of fusion work, describe it as a virtual ghost town.

The overriding conception is the one developed in 1981 by Chief of General Staff Marshal Nikolai Ogarkov, calling for "a constant effort to make enterprises which produce the basic types of weapons more autonomous with respect to energy and water supplies, to provide them with necessary stocks and to create an equipment and material reserve. . . ." Given this "energy autonomy" mandate for military enterprises, in a country where the military economy represents upwards of one-third of national income, does there exist a "secondary" grid, or energy-generating capability with its own power plants, which solely serves the needs of the military economy? According to figures released at a recent NATO conference on the Soviet economy, extraordinary distortions in investment patterns result from huge funding of the energy sector. Might there also be a full-fledged "third energy grid," in the form of a strategic-equipment reserve, on-the-shelf power plants, and so forth, ready to be deployed in wartime? The answers to these questions may betray the scope of the Soviet war mobilization and prove to be of vital importance to Western security.

## Bumper crop on the way in India

*A record output marks the spread of the Green Revolution to new areas of the country.*

In late April, Indian Agriculture Minister Rao Birendra Singh gave the Lok Sabha (the elected house of parliament) the revised figures for 1983-84 farm output. Instead of the anticipated 144 million tons, itself a new high and more than 10 million tons above the 1981-82 record, Indian farmers this year will harvest 149.76 million tons of grain.

This breakthrough reflects the success of the policies embodied in the Sixth Five-Year Plan (1980-85) to extend the scientific practices and capital inputs of the Green Revolution beyond the northwestern focal point of Punjab, Haryana, and western Uttar Pradesh, where they have taken hold to such good effect over the past decade. Now the output gains are being boosted by production increases in states such as Gujarat, Madhya Pradesh, and Orissa. Both wheat and rice production have figured in the increase, though oilseeds and pulses still lag.

In recent months, the winter wheat harvest and marketing got under way in earnest.

As of the end of April, market transactions in the northwestern states were eight times that of the previous year. The extremist agitation in Punjab has by all accounts not affected agriculture; though the flow of labor for the harvest was slow in the beginning, it has since picked up, and harvesting is proceeding full steam.

The Food Corporation of India, which operates the government price-

support procurement program, anticipates that, with the high production and procurement of rice and wheat, government grain stocks may reach the required 22 million tons by July. That could obviate the need for any imports this year.

The Sixth Plan incorporated an ambitious program to increase capital inputs in agriculture. Fertilizer consumption is targeted to rise by 3 million tons, pesticides by over 1 million tons, area under high-yielding varieties by more than 14 million hectares, and irrigated area by about 15 million hectares by 1985.

Emphasis has been put on the delivery of inputs to the farmers, with small and marginal farmers a special focus. A huge program of free distribution of seed "mini-kits"—this year, 4.2 million kits of cereal, pulses, and oilseeds have been distributed—has been used to popularize the improved new seed varieties.

In addition, a multi-agency program to ensure sufficient credit to farmers has been adopted. A large co-operative system much like that in the United States is being complemented by programs at both commercial and regional rural banks. Establishment of the National Bank for Agriculture and Rural Development in 1982 was central to this effort.

Both dry-land agriculture (even with realization of the full irrigation target of 131 million hectares by 2,000, more than 45% of India's farm land will remain dependent on rains) and a

qualitative leap in oilseed production (cooking oil is India's second largest import item) have also received priority attention. Concrete gains in this area should be forthcoming in the next few years.

But the most heartening thing about the record output is that it represents a widening of the base of productivity in Indian agriculture. A recent study of agricultural development in eastern Uttar Pradesh documents what is beginning to happen in such traditionally backward and undeveloped areas, which have been plagued with landlordism followed by extreme fragmentation of holdings and a lack of inputs.

With the addition of fertilizer, pesticide, and improved farm implements, farmers have turned to high-yielding varieties and multiple cropping. While this area still suffers the ravages of alternating drought and uncontrollable floods, the expansion of irrigation by nearly 1 million hectares over the past 10 years has been a great help.

Farmers now grow wheat as a second crop to sell, in addition to the traditional rice crop and vegetable cultivation. In fact, the rate of growth of wheat output in eastern Uttar Pradesh in the past 10 years has outstripped the statewide average of 8.51% and reached as high as 20% in some counties.

One Uttar Pradesh farmer interviewed recently put it succinctly: "Ten years ago, there was hardly any irrigation in this region. Now the scene is different. There is more irrigation, more people use fertilizers, and they are more easily available. And with the introduction of high-yielding variety of seeds, people have taken agriculture more seriously. We now find that there is a future in this: that you do not grow crops simply to fill your stomach."

## Appeals court upholds moratorium

*Costa Rica's 1981 debt moratorium is declared valid under U.S. Chapter 11 practice.*

On April 23, Wall Street was shaken by a Second Circuit Court of Appeals decision validating the actions of the Costa Rican government to restrict payments on its foreign debt. In *Allied Bank International v. Banco Credito Agricola de Cartago, et al.*, the Circuit Court affirmed a District Court decision upholding a 1981 Costa Rican debt moratorium, on grounds different than the Circuit Court decision: principally, that Costa Rica's moratorium was a valid, Chapter 11 bankruptcy reorganization.

The decision potentially opens the way for the much-needed debt moratorium for all of Ibero-America, recommended by Lyndon H. LaRouche in his book, *Operation Juárez*. Although the court decision could be used by Swiss bankers and their friends as a bludgeon against the U.S. banking system, to force a further contraction in lending and thereby worsen the debt crisis, it also provides an opportunity for the exercise of natural law.

All too often, U.S. courts have ignored the principle of natural law upon which the Constitution and such laws as Chapter 11 are based, a principle expressed in Shakespeare's *Merchant of Venice*, in which a judge is compelled to acknowledge a usurer's right to his "pound of flesh"—but only if he does not spill a drop of the debtor's blood in the process. Debt obligations which mean massive suffering and death, as throughout Ibero-America, are not valid obligations.

The Costa Rican case involved a series of promissory notes executed in 1976 by three Costa Rican banks. The notes were payable to a syndicate of 39 U.S. banks and required payment in U.S. currency. As the economic crisis deepened, the Costa Rican government began to carry out a moratorium by refusing to authorize its central bank to disburse foreign exchange for debt payment. On July 2, 1981, when one of the three banks applied to the central bank for foreign exchange to make its semi-annual payment, the central bank notified all three that no foreign exchange would be available for that purpose until the entire Costa Rican debt situation was ameliorated.

On behalf of the syndicate, Allied Bank filed suit for the unpaid balance plus the accrued interest. The Costa Rican banks raised as their main defense that the failure to pay was based upon an act of a foreign state which is not subject to U.S. courts. But on July 8, 1983, Judge Griesa of the Southern District of New York decided in Costa Rica's favor because "the crucial factor . . . which prevented payment of the notes was public in nature, rather than commercial, and its purpose was to serve a governmental function."

Thirty-eight of the syndicate banks afterward reached a refinancing agreement with the Costa Rican government and its Central Bank. The holdout was Fidelity Union Trust Company of New Jersey, which appealed the Griesa decision, arguing that the act

of state doctrine applies only to actions taken by a government within its boundaries, and not to foreign obligations.

The appeals court has now sidestepped the act of state doctrine by holding that the actions by Costa Rica were consistent with U.S. law and policy. Therefore, under the doctrine of comity—recognition by one country of the laws of another to the fullest extent possible—the Costa Ricans had stated a valid defense.

The Circuit found two grounds for extending comity to the Costa Rican situation. First, under the Foreign Assistance Act of 1961, further aid to a defaulting country is prohibited unless the President tells Congress that "assistance to such country is in the national interest." The Reagan administration apparently did so in letters to House Speaker Tip O'Neill, dated March 18 and Oct. 11, 1983.

But most striking, the Circuit said, "Costa Rica's prohibition of payment of its external debts is analogous to the reorganization of a business pursuant to Chapter 11 of our Bankruptcy Code, 11 U.S.C. 1101-74 (1982)." The court stressed that Costa Rica had not repudiated its obligations, but was rather deferring its payment "while it attempted in good faith to renegotiate its obligations." Therefore, "because the decree and resolutions of the Costa Rican government that resulted in appellees' default were consistent with the law and policy of the United States, their validity should be recognized in United States court."

Since this latter point is contained in the Discussion section of the opinion, it appears that the Chapter 11 analogy is legally sufficient by itself to sustain a defense. Debtor nations can use Chapter 11 in U.S. courts to demonstrate comity in the event of a debt moratorium against American banks.

# Business Briefs

## *International Trade*

### **Phibro-Salomon to set speculative funds pool**

Phibro-Salomon, Inc. is planning to create a pool of funds for institutions, individuals, and corporations to invest in speculative financing of trade.

David Tendler, co-chairman and co-CEO of the investment banking and trading firm, announced the plan at the firm's annual meeting, the Dow Jones News Service reported May 3.

The fund, Tendler said, could potentially handle hundreds of millions of dollars. It would be built up during the next 12 months.

Currently, at least two insured or guaranteed trade-financing pools exist—one backed by the U.S. Export-Import Bank, and the other by American International Group, Inc.

The fund, which will probably be uninsured, is expected to attract individuals and companies looking for big returns—with potentially big risks. Debt-ridden developing countries, which have had to cut back drastically on imports because banks and multinational corporations have refused to provide trade financing, could be forced to turn to such a pool for assistance.

Tendler said that the new fund would be used for both traditional trade finance and "non-recourse" financing.

In the latter case, an investor purchases goods from an exporter at a discount and agrees to assume the responsibility, and risk, of collecting the obligation.

## *Post-Industrialism*

### **Pol Pot's teacher stages push for 'sunrise' sector**

The Paris-based "World Center of Informatics" is guiding the current reorientation of the French economy away from heavy industry into the new "information and technetronic industries."

The center, set up in March 1982 on the initiative of Jean-Jacques Servan-Schreiber, is training unemployed workers, students,

and labor officials in "interactive informatics." The institute tells workers that "only those who know how to handle a computer will find a job in the future."

This propaganda turns out to be run by professionals in assassination: The center's "scientific advisory board" includes such practitioners as Abdus Salam, co-founder of the Club of Rome, and the anthropologist Georges Balandier, the man who trained the butcher of Cambodia, Pol Pot, and Khomeini's first premier in Tehran, A. H. Bani-Sadr, at his institute.

Among the supporters of the center, who are organized in the "Club of Paris," are Karl Schiller, former West German economics superminister, and Herbert Giersch, the director of the monetarist Kiel Institute of World Economic Studies in West Germany, not to mention Robert McNamara, George McGovern, and Sen. Pat Moynihan.

## *Labor*

### **Strike wave begins in West Germany**

Talks between the West German printers' union and the management of the industry collapsed on May 2, and the union struck against 90 newspapers and publishing companies within a few hours. The strike is not for wage increases, but for a "share-the-poverty" 35-hour work week.

The metalworkers' union, Germany's largest, is also preparing to strike, as two of the most important districts, Hesse and North Baden-Württemberg, where about 800,000 metal workers are employed, voted May 3 for a strike.

While the metalworkers are told that this strike is for job security, the "steel bureau" of the union told journalists that "33,000 jobs in steel will inevitably have to be cut."

The union canceled wage contracts in the steel branch nine months before expiration, leaving the future of 200,000 steelworkers up in the air.

Spokesmen for the steel industry have indicated that they will go for mass lockouts, and "if people get laid off, it is the fault of the union. Let them try to pull off their strike—we are prepared."

## *Unemployment*

### **Studies show German 'upswing' is a fraud**

The Kiel World Economics Institute in West Germany has checked the Bonn government's unemployment statistics and found that at least 1 million unemployed workers not counted.

True unemployment is not at the official 2.2 million level, but at least 3.3 million, the institute reports.

A comparison by the Federal Bureau of Statistics between the average market-basket of family consumer goods in 1958 and 1983 demonstrated that it costs much more to support a family of four today than it did then.

While the earnings of one person (usually the father) could supply an average family in 1958, today's family depends more and more on more than one wage-earner.

Expenses for food have risen by a factor of 2.5, heat and electricity by a factor of 7, rent and housing by a factor of 8, and basic transportation and information by a factor of 12.

The most drastic increase occurred after 1976, and the effects of rent deregulation passed a year ago have not yet been taken into account.

## *Bankruptcy Law*

### **German workers will get paid last—if ever**

The National Labor Court in Kassel, West Germany, the highest juridical authority on labor questions, on April 30 made a far-reaching ruling. From now on, if a company files for Chapter 11 bankruptcy, the shareholders and creditors will be paid first, the workers last (assuming there is anything left to pay them). Until now, payment of wages had been the first priority.

In view of the drastic increase of bankruptcies—15,000 companies in 1983—this will have a devastating effect on the workforce.

The unions and the political parties have



issued only perfunctory protests against the ruling, which parallels recent decisions by the U.S. Supreme Court and National Labor Relations Board.

## Coal Industry

### What's up with Hammer's China deal?

One of the more significant features of President Reagan's recent China trip was the signing of a letter of agreement between Occidental Petroleum's Armand Hammer and the Chinese government.

The deal, the largest signed with the West to date, calls for joint development of what could become the world's largest open-pit coal mine in rural Shanxi province.

Potential production, according to Oxy, could exceed 45 million tons per year. The largest U.S. mine yields some 16 million tons per year of a lower grade coal.

Does the notoriously pro-Soviet Hammer's deal with the PRC strengthen a "pro-Soviet" faction inside China? It certainly weakens the potential for healthy development of U.S. industrial collaboration with the Pacific Basin by allowing the group around Armand Hammer to dominate trade deals.

## Black Economy

### Peruvian leader favors drug legalization

Former Peruvian prime minister Manuel Ulloa, known in Peru as "Mr. Rockefeller," is on the record favoring the legalization of cocaine production. Since the 19th century, he said, "the [economic] possibilities of cocaine have been considered as important as those of tea and coffee. . . . This point of view will open unexpected horizons and will allow entry of most illegal cocaine production into the legal market."

Ulloa, presently a member of the Peruvian Senate and a presidential hopeful, emphasized in an interview to the magazine

*Debate 24* published in December 1983 that areas dedicated to the production of cocaine enjoy remarkable social tranquility and economic stability, and that 3-5% of Peru's GNP can be attributed to the cocaine "industry."

Carlos Malpica, a senator from the United Leftist Party (IU), discussed with the same magazine the legalization of the dope trade. Cocaine exports would be Peru's main item of foreign trade, said Malpica; now, he said, it is already "the leading economic resource" in the jungle areas.

Virgilio Roel, an "indigenous" terrorist-intellectual who is tied to various separatist movements in South America, was even more outspoken on the cocaine issue: "The alternative is obvious: Legalize it!"

## Public Policy

### Skulduggery questions about J. David and Co.—why did it go under?

The question of funds missing from J. David Dominelli's busted trading pool, J. David and Company, reportedly sent court trustees on a "wild goose chase" through Europe in a vain effort to locate the \$112 million Dominelli claims was held in European banks. Dominelli still insists the money is intact, yet he was unable to pay the firm's bills late last year.

Press accounts have suggested that Dominelli was running a Ponzi swindle, promising 40% annual returns through speculative profits, but in fact paying previous investors with new investors' money.

However, senior J. David trader Mark Yarry, one of Dominelli's closest associates, told *EIR* reporters during several conversations in late 1983 that the firm had bet heavily on the U.S. dollar, which rose spectacularly during the fourth quarter of 1983.

Whether or not the stated positions were actually taken cannot be proven, but Yarry demonstrated a sophisticated grasp of factors affecting the markets, including the Soviet Union's role in the markets.

On the basis of such positions, J. David should have made spectacular profits. Then why did it go under?

# Briefly

● **ARGENTINE** finance minister Bernardo Grinspun has placed a 9% limit on public- and private-sector salary increases. The move was made in preparation for the reception of a team of economists from the International Monetary Fund, scheduled to arrive in Buenos Aires on May 5 to "assess" the country's economic prospects.

● **MARIJUANA** is on the verge of becoming the number-one U.S. cash crop, according to the National Organization for the Reform of Marijuana Laws (NORML), the chief spokesman for the cannabis lobby. NORML says that the 1983-84 crop can be conservatively estimated at \$13.9 billion. California is ranked first with a \$2 billion crop, Hawaii next at \$1.6 billion. Oregon and Kentucky tied for third, followed by North Carolina.

● **JACQUESDELORS**, the French finance minister, announced May 3 that "the 1985 budget will be far more rigorous than that of 1984." Any stimulus to demand, he said, would only encourage imports and increase France's foreign debt. Instead he recommended a policy that "puts the emphasis on a drastic lowering of inflation, maintenance of the real value of our money and an unstinting search to improve French competitiveness."

● **GAZ DE FRANCE**, the French state gas utility, will ask the Soviet Union for a cut in scheduled gas deliveries to France. The utility reports that it is oversupplied with gas as a result of long-term contracts with foreign suppliers and a domestic decline in energy demand.

● **RAFFAELE MORESE**, a leader in the city of Brescia of Italy's Christian Democratic trade-union federation, the CISL, has called for a reduction of both wages and working hours for his members. He endorsed an end to the cost of living escalator, and demanded a voluntary wage freeze.

## Euthanasia today: the case for a new Nuremberg tribunal

by Nancy Spannaus

No later than 1949—just three years after the United States conducted public trials against perpetrators of Nazi medical practices such as euthanasia—a prestigious psychiatrist warned that such atrocities could happen again, including in the United States. Writing in the *New England Journal of Medicine*, Dr. Leo Alexander called on his experience in working with the prosecution at the Nuremberg Tribunal to identify the precise danger: the utilitarian attitude which classifies some lives as *not useful*, “not worthy to be lived.”

Thirty years later, we must say unequivocally that Dr. Alexander was right.

To our knowledge there are no mass-killing centers in the United States or Western Europe where deformed infants and the old and feeble-minded are being infected with tuberculosis, or being starved to death—yet. But we are well on our way. When Colorado governor Richard Lamm can advocate the “duty to die” for the old and disabled, and be acclaimed for “raising vital, interesting questions” by the mass media, the moral climate of U.S. institutions is revealed to be even more evil than that in the Nazi period. Murder of the aged and of handicapped infants is going on systematically and massively in the United States, *increasingly under the cover of law*. The justification is precisely the utilitarian attitude which Dr. Alexander identified.

Should this seem too far-fetched, we suggest you take a look at those large sections of the world which have been designated as “useless,” those sections classified as the “developing sector” or “Third World.” Utilitarian policies have governed our attitude toward these countries; we have not thought we needed them, and therefore we have let them die. Mass murder of infants and individuals of all ages is going on in these countries, according to policy outlines which can only be described as *genocidal* according to the Nuremberg principles themselves. Are there screams of outrage from the population of the Western countries? No, it is seen as an inevitable, if sad, result of the “practical” situation in which we find ourselves.

Of course, it is not the average citizen of the United States or Western Europe who has decided to initiate these policies of mass extermination, who has decided



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*Doctors at Johns Hopkins University in Maryland are advocating the policies of euthanasia and sterilization for which Nazi war criminals were hung at Nuremberg. Hopkins Professor Emeritus Helen Taussig and eleven other physicians issued a call, at a meeting of the Society for the Right to Die, for medical treatment to be withheld from elderly and handicapped patients. Shown is an April 26 demonstration by the National Democratic Policy Committee.*

to close down the factories and farms which could produce goods for the starving, who has rigged the world monetary system to serve as an instrument of usury and looting. Nor is it the doctor who has come up with the social policy of winnowing out our elderly and handicapped. What the average citizen and professional has done is to accept and adapt to the control of his culture by those dictating mass murder.

These genocidalists, the oligarchical families who run our international monetary system, insurance consortia, and grain cartels, were precisely the individuals who went scot-free during the first Nuremberg Tribunals. The Hjalmar Schacht (Hitler's economics minister), the British bankers, the U.S. financial interests who bankrolled and supported the Hitler regime, were the ones who designed the policies which led to the Nazi genocide programs. They wrote the laws, devised the propaganda, and dictated the economic "choices." They were not only morally, but also *causally*, responsible for the consequences of those policies.

Thus, when our founding editor Lyndon H. LaRouche, Jr. reviewed in the March 6 *EIR* the argument by which Federal Reserve official Henry Wallich is indictable under the Nuremberg principles, he was also outlining the case to be applied to the perpetrators of euthanasia. Most culpable, as he says, are those who don't merely directly violate the principle of the sacredness of the life of the human individual, but also attempt to destroy the *institutions of law* which afford the protection of that principle to individuals and nations.

As we show below, those institutions in the United States have been corrupted to the point of being increasingly indistinguishable in the area of medical care from those of the

Nazi period. We are compelled to return to the root of the problem—that shift from the Judeo-Christian ethic of the sanctity of human life, to "utilitarianism." We are compelled to ruthlessly extirpate the philosophical roots of Nazism from our institutions. Should a citizens' movement arise with the necessary qualifications, we would do well to have a new Nuremberg Tribunal, under which the oligarchical *families* are finally put in the dock where they belong.

### 'What is useful is good'

Dr. Alexander's 1949 analysis of the beginnings of the Nazi doctrine of euthanasia proceeds from the standpoint of identifying the early signs and symptoms of the Nazi outlook in order to prevent its recurrence.

"Whatever proportions these crimes finally assumed, it became evident to all who investigated them that they had started from small beginnings. The beginnings at first were merely a subtle shift in emphasis in the basic attitude of the physicians. It started with the acceptance of the attitude, basic in the euthanasia movement, that there is such a thing as a life not worthy to be lived. This attitude in its early stages concerned itself merely with the severely and chronically sick. Gradually the sphere of those to be included in this category was enlarged to encompass the socially unproductive, the ideologically unwanted, and finally all non-Aryans. But it is important to realize that the infinitely small wedged-in lever from which this entire trend of mind received its impetus was the attitude toward the non-rehabilitable sick."

Dr. Alexander presents a striking example of this subtle shift as it was attempted in the institutional framework of

medicine in Holland during the war. This shift, which has its parallel in such seemingly innocent developments as the promulgation of the "bill of patients' rights" in the United States in the 1970s, was an attempt to subvert the responsibility of a doctor under the Hippocratic oath, to the outlook that would lead in Germany to mass murder of "useless eaters."

The Dutch doctors were given an order which defined their responsibilities, in part, as follows:

"It is the duty of the doctor, through advice and effort, conscientiously and to his best ability, to assist as helper the person entrusted to his care in the maintenance, improvement, and re-establishment of his vitality, physical efficiency and health. The accomplishment of this duty is a public task."

What subtle change did this order attempt to effect? For one thing the doctors were told to put a priority on rehabilitation to "physical efficiency"—the utilitarian ethic of the labor camp. Second, the medical task was redefined as an obligation to the state. The Dutch doctors saw the seeds of the destruction of their profession in this order; en masse, they refused to sign, and many went to concentration camps instead. As a result there are no known cases of euthanasia and sterilization by the Dutch doctors; no Nazi medical apparatus could be established.

### 'Unwanted ballast'

In his 1949 article Dr. Alexander raised the question of whether American physicians had not already caved in to the infection of "Hegelian, cold-blooded, utilitarian philosophy." He concluded that the subtle shift had indeed occurred. We quote:

"Physicians have become dangerously close to being mere technicians of rehabilitation. The essentially Hegelian rational attitude has led them to make certain distinctions in the handling of acute and chronic diseases. The patient with the latter carried an obvious stigma as the one less likely to be fully rehabilitable for social usefulness. In an increasingly utilitarian society these patients are being looked down upon with increasing definiteness as unwanted ballast. . . .

"Hospitals like to limit themselves to the care of patients who can be fully rehabilitated, and the patient whose full rehabilitation is unlikely finds himself, at least in the best and most advanced centers of healing, as a second-class patient faced with a reluctance on the part of both the visiting and the house staff to suggest and apply therapeutic procedures that are not likely to bring about immediately striking results in terms of recovery. I wish to emphasize that this point of view did not arise primarily within the medical profession, which has always been outstanding in a highly competitive economic society for giving freely and unstintingly of its time and efforts, but was imposed by the shortage of funds available, both private and public. From the attitude of easing patients with chronic diseases away from the doors of the best types of treatment facilities available to the actual dis-

patching of such patients to killing centers is a long but nevertheless logical step. Resources for the so-called incurable patient have recently become practically unavailable."

In other words, as soon as health is looked at merely in terms of utility, efficiency, and productivity, the principle that "what is useful is good" wins out. The killing center is only the *reductio ad absurdum* of health planning done on that basis.

### No freedom to choose

Read the literature of the right-to-die movement and the legal decisions which have enabled it to flourish, and you will find up-front the issue of "freedom"—freedom of the individual to avoid pain, to "die with dignity." Purely hedonistic criteria are put forward—the classical calculus of Bentham and Mill.

What is avoided is the other side of the utilitarian philosophical framework. While the individual is "deciding" his relative pleasure and pain, the families who run society decide what costs they want to expend on his survival. The individual has about as much "freedom" within this predetermined framework as the prisoner who is allowed to choose his last fling before he climbs the scaffold to die.

Talk to the social policy makers in the insurance companies and the journalistic field, and it's perfectly clear that they understand this.

Richard Reeves, a syndicated columnist well known in the *Atlantic Monthly* circuit, who heartily endorses Governor Richard Lamm's point of view, recently put it this way: "The issues goes far beyond this [people who are vegetables]. My question is: when I am 85, will somebody want to pay \$40,000 in taxes to keep me around? Eventually it is an economic issue."

Reeves was even more blunt about the future: Should society permit individuals to spend their own resources on medical care? "At this moment, as I am talking to you, I am looking out my window, and can see three nurses either wheeling or carrying along tiny shrunken women, who look like they are in their '90s," he said. "This is becoming an enormously expensive business. . . . And besides, these ladies who I am watching have probably accumulated large amounts of capital. Do we *want* that much of their resources to go into nursing care?"

The insurance company representatives are equally blunt. "But all this, Lamm, and so on, *does* mark the opening of the public policy question," said one. "Who shall receive costly services? . . . The thinking is that the extreme cost of heroic and intensive care means we have to think more seriously about cost-effectiveness."

Who will make the decisions over who should live and who should die? It will not be the pleasure-seeking, pain-avoiding individual, but the feudal oligarchs. Only a total revolution against the utilitarian philosophy will save us.

# Step by step along the road to Nazi medicine in the United States

by Linda Everett

The implementation of Nazi medical practices in the United States and Western Europe has followed precisely from those small shifts in attitude toward the value of human life indicated by Dr. Leo Alexander (see page 16). From seemingly slight shifts there flowed a systematic assault on the legal and moral guarantors of that value, both through legislation, “educational” programs, and legal cases, to the point where euthanasia and infanticide are now *protected by law*, and tolerated by the majority of the population.

We summarize this process below primarily for the United States, with the addition of some of the more salient “test cases” from Western Europe.

## Setting up the institutions

**1968:** Chaplain Robert B. Reeves of New York City’s Columbia Presbyterian Hospital sets the terms of the drive for euthanasia in an address to the First Euthanasia Educational Conference of the Euthanasia Educational Fund: “We have in our society two supreme challenges. They are, first, to find an honorable equivalent to Spartan exposure on the rocks at one end of life, and second, to find an honorable equivalent to the Eskimo hole at the other end of life.”

**1968:** Florida becomes the first state to have a right-to-die bill introduced. The bill has still not passed, although it has been introduced every year since. As a major center for retired persons, Florida is a special target of the right-to-die movement. The Society for the Right to Die expects Florida to pass the bill in 1984, especially with an “accommodation” made by the Florida Catholic Conference.

**1969:** Founding of the **Hastings Center (Institute of the Society, Ethics and the Life Sciences)** in Tarrytown, N.Y. Hastings seeks to replace the Judeo-Christian principle of the sacredness of life with the phony “quality of life” ethic, outlined by the center’s president, psychiatrist William Gaylin, in 1972: “It used to be easy to know what we wanted for our children, and now the best for our children might mean deciding which ones to kill. We’ve always wanted the best for our grandparents, and now that might mean killing them.”

Hastings propagandizes its “ethics” through seminars and writings about death and dying, genetic counseling and engineering, behavior control, and population control. The presumed “dilemmas” posed by medical advances—starving handicapped infants, and depriving the terminally ill of food and water—all come under its purview.

Hastings Director Daniel Callahan, formerly of the Population Council, receives funding for the institute from the Ford and Rockefeller foundations, the Rockefeller Brothers Fund, and the Commonwealth Fund, among other sources.

Democratic presidential candidate Walter Mondale is a fellow of the Hastings Center.

**1969:** Elisabeth Kubler-Ross’s *On Death and Dying* is published, kicking off an international propaganda campaign for the right to die.

**1971:** Founding of the **Georgetown University Center for Bioethics** with a grant from the Joseph P. Kennedy, Jr. Foundation. The Center has been responsible for setting up courses in more than half of the nation’s medical schools on “the ethics of scarcity” and “the ethics of autonomy.” It sponsors seminars and publications on cost-effective cutting of services to the terminally ill elderly, and has justified every assault on the health-care system, from the cutting back on technology to the stifling of pharmaceutical research.

The Kennedy Center provides consultants in crucial legal cases, including the lawyer who demanded the removal of Karen Ann Quinlan from the respirator (see below). Among the bioethical specialists at Georgetown have been Richard McCormack, S.J., Daniel Callahan, and Swiss Jesuit theologian Hans Küng.

**1973:** Hearings on “Death with Dignity” are held before the **U.S. Senate Committee on Aging**, chaired by Senator Frank Church. Walter Sackett, M.D., a member of the Florida legislature, argues in his testimony that “living will” legislation is necessary to legalize the elimination of severely retarded people, so that the money saved could be applied to other health needs.

**1973:** The American Hospital Association approves a **Patients' Bill of Rights** which introduces the right to refuse treatment, the opening wedge for the right-to-die movement.

**1973:** Two euthanasia bills are introduced in **Oregon** legislature, both defeated.

**1975:** A **Montana** euthanasia bill introduced that would allow a doctor to administer euthanasia, order a nurse to do so, or give lethal drugs to a family member for application. Bill dies in the committee.

**1975:** An active euthanasia bill is introduced into **Wisconsin** legislature which would allow anyone over 7 years of age to make a request to die and anyone over 14 years of age to implement that request. A death request may be written or oral, and a child under 18 years will have to notify his or her parents prior to making a valid death request. Bill is defeated.

**March 31, 1976:** New Jersey Supreme Court rules in the case of **Karen Ann Quinlan**, a 22-year-old comatose patient, establishing that the "privilege of choosing death," in certain circumstances, takes precedence over the duty of the state to preserve life.

The patient's father sought judicial authority to withdraw a life-sustaining mechanism from his daughter based on an argument of "constitutional rights" for free exercise of religion, of privacy, and protection against "cruel and unusual punishment." He was opposed by her doctors, the Monroe County prosecutor, the State of New Jersey and her guardian *ad litam*.

The court held that it could overrule prevailing medical and moral standards, which had been applied by the physicians who defended their decision not to terminate the use of the respirator.

On the issue of the right to privacy, the judge ruled that if Quinlan were alive, she would decide for effective discontinuation of the life support, even if that meant the prospect of natural death. The ensuing death would not be homicide, but rather expiration from "natural causes." The county prosecutor and the attorney general, who stoutly maintained that the termination would accelerate Karen's death and thus be a criminal act, were overruled.

After a year of living with the help of a respirator, the courts ruled that Karen Quinlan had the right to die, and she was removed from her respirator. She continues to live in a coma today.

### The legislative phase

**Sept. 30, 1976:** Gov. **Jerry Brown** signs the **Natural Death Act** (Living Will Act), authorizing doctors to withhold or withdraw all life-saving medicines, substances, and procedures from an allegedly terminally ill adult who has signed a directive ("living will") authorizing such action. The California bill has been the model for right-to-die legislation

which has been introduced in all but two states of the union, and passed in over 20.

**1977:** In the case of **Superintendent of Belchertown State School vs. Saikewicz**, the Massachusetts Supreme Judicial Court upholds a lower court decision that Joseph Saikewicz, a 67-year-old patient at a state mental health facility, should not undergo treatment for leukemia. The court holds that a patient has the right to privacy "against unwanted infringements of bodily integrity in appropriate circumstances," stating that: "The constitutional right to privacy . . . is an expression of the sanctity of individual free choice and self-determination as fundamental constituents of life. The value of life as so perceived is lessened not by a decision to refuse treatment, but by the failure to allow a competent human being the right of choice."

**1977:** Right-to-die laws pass in **Idaho** (March 18), **Arkansas** (March 30), **New Mexico** (April 17), **Nevada** (May 6), **Oregon** (June 9), **Texas** (June 9), and **North Carolina** (June 29).

**June 3, 1977:** **Robert A. Derzon**, head of the **Health, Education, and Welfare Department's Health Care Financing Administration**, issues a departmental memo on "Ad-



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ditional Cost-Saving Initiatives.” The memo urges that federal health-care funds be withdrawn in certain cases to encourage the passage of “living will” legislation. “The cost-savings from a nationwide push toward ‘living wills’ is likely to be enormous,” says the memo. “Over one-fifth of Medicare expenditures are for persons in their last year of life. Thus, in FY 1978, \$4.9 billion will be spent for such persons and if just one quarter of these expenditures were voided through adoption of ‘living wills,’ the savings under Medicare alone would amount to \$1.2 billion.”

### The federal government steps in

**September 1978:** The **President’s Commission for the Study of Ethical Problems in Medicine and Biomedical and Behavioral Research** is formed. On the initiation of Sen. Edward Kennedy (D-Mass.), the U.S. Congress authorizes the creation of a presidential commission with continuing responsibility to study and report on the ethical and legal implications of a number of issues in medicine and research and gives the power to the commission to extend that list as it or President Jimmy Carter sees fit.

The commission has created a public forum for the genocide lobby to present to the public hitherto unacceptable “ethical” decisions. It maintains close relations with the Hastings Center in New York.

**Jan. 18, 1979:** A Massachusetts court rules in favor of the family of **Earle Spring**, a 79-year-old former pharmacist with kidney problems, to terminate kidney dialysis treatment so that he might “die with dignity.” The case is unique in that Spring, not ruled incompetent to make his own decision by the courts, was in full possession of his faculties.

**March 26, 1979:** Washington state enacts right-to-die law.

**April 19, 1979:** Kansas enacts right-to-die law.

**Jan. 24, 1980:** Upon appeal by the guardian of **Earle Spring** and the International Caucus of Labor Committees (ICLC), the Massachusetts courts reconsider the decision to withhold treatment from Spring. Massachusetts Supreme Judicial Court Judge Francis Quirico orders that he be placed back on dialysis. Spring had told his nurses and members of the ICLC that he “did not want to die.” In April, Spring dies while his family is still in court appealing the decision that put him back on dialysis.

**August 1980:** The **Hemlock Society** is formed by American Civil Liberties Union lawyer Richard Scott and British subject Derek Humphrey, a euthanasia advocate who helped to kill his wife and widely publicizes ways to commit suicide. The organization, based in California, becomes one of the leading groups publicizing the right to die.

**1981:** Alabama adopts right-to-die law.

**August 1981:** **Clarence Herbert**, a 55-year-old man who became comatose while recovering from bowel surgery, is starved to death by two doctors at **Kaiser Permanente Hospital** in California, after having failed to die when he was removed from a respirator.

**November 1981:** **Natural Death Act of Washington, D.C.** is signed into effect by Mayor Marion Berry, legalizes the “living will” and penalizes any doctor or hospital staff member who makes an attempt to save the life of someone who has signed such a will.

**Jan. 9, 1982:** San Francisco State University philosophy professor **Mary Ann Warren** testifies before the President’s Commission for the Study of Ethical Problems in Medicine and Biomedical and Behavioral Research in Washington, D.C. in favor of active euthanasia to eliminate deformed infants: “It is morally permissible . . . even morally mandatory to allow certain neonates to die.” Warren compares newborns to guppies and suggests that in some cases, “*continued life is not in the interest of the infant itself.*” She later suggests the propagation of “organ farms.”

**1982:** Delaware and Vermont adopt right-to-die laws.

**Feb. 26, 1982:** International Caucus of Labor Committees brings charges against **Mary Ann Warren** under the U.N. Genocide Convention for “advocating” and “complicity in” genocide. As of May 3, 1984, the U.N. Commission on Human Rights claims the complaint is subject to “confidential procedure,” and says disposition will never be made public.

### Legal precedents for murder

**April 1982:** In a legal case which received massive publicity, the State Supreme Court of Indiana and two Monroe county courts decline to force the parents of a newborn infant (subsequently named **Baby Doe**) to provide their infant, born with Down’s Syndrome, with a life-saving operation. The court also allows the parents to withhold all food and water, thus causing the child to starve to death, despite requests from a dozen families to adopt the child. No charges are brought against the parents or the hospital for murder.

**December 1982:** A Massachusetts court finds a nurse and a geriatric center guilty of interfering with the late **Earle Spring**’s family’s right to kill him, and awards \$2.58 million to the family in damages.

**Feb. 2, 1983:** A New Jersey judge orders removal of tubes to provide nourishment to an 83-year-old diabetic whose guardian had decided that she should be allowed to die. Despite an injunction gained to prevent the removal, the woman, **Claire Conway**, dies of pneumonia on Feb. 15.

**March 9, 1983:** An attempt by Los Angeles County prosecutors to bring murder charges against **Kaiser Permanente Hospital doctors Robert Nejdil and Neil Barber**, who removed life support and nourishment from **Clarence Herbert**, is dismissed by Los Angeles Municipal Judge Brian Crahan. Testimony by a nurse involved in the case reveals that the doctors lied to the patient's wife and eight children that "every cell in his brain is dead," despite the fact that no tests were taken and no negative prognosis for neurological recovery was made in the case, until four days after the patient was deprived of food and water, and six days after he was removed from the respirator.

Expert testimony given at the preliminary hearing confirms the judgment of the nurses at the hospital that the death was totally unnecessary. Jesuit priest and euthanasia enthusiast Fr. John Paris of Holy Cross College in Massachusetts testifies that "extraordinary care is any ordinary care which includes food, water, and antibiotics."

**March 31, 1983: The President's Commission for the Study of Ethical Problems in Medicine and Biomedical and Behavioral Research** publishes its final report. While obeisance is paid to the "voluntary choice of the competent and informed patient" throughout, the thrust of the report is to outline situations in which medical treatment can be denied. Exemplary is the following section on "constraints on patients' decisions":

- Health-care professionals or institutions may decline to provide the particular option because that choice would violate their conscience or professional judgment, though in doing so they may not abandon a patient.

- Health care institutions may justifiably restrict the availability of certain options in order to use limited resources more effectively or to enhance equity in allocating them.

- Society may decide to limit the availability of certain options for care in order to advance equity or the general welfare, but such policies should not be applied initially nor especially forcefully to medical options that could sustain life.

The commission recommends that "bioethical" committees be established wherever a consensus decision is required on who shall live and who shall die.

**March 2, 1983: The Reagan administration** promulgates a ruling demanding that all handicapped infants in federally subsidized hospitals receive care, to prevent occurrence of more "**Baby Doe**" murders. The ruling is stricken down April 14 by a federal court, which calls it "arbitrary and capricious."

**May 1983:** Charges against **Drs. Robert Nejdil and Neil Barber** are reinstated by Superior Court Judge Robert Wenke,

who rules that patient **Clarence Herbert** was not legally dead at the time of the removal of his respirator, and that California does not condone mercy-killing.

**July 8, 1983:** New Jersey Appeals Court rules that the Feb. 2 decision to remove nourishment from **Claire Conway** "authorized euthanasia (homicide)," and reverses the lower court decision. The case is now under appeal to the New Jersey Supreme Court.

### **The legislation gets more explicit**

**Aug. 14, 1983: New York Gov. Mario Cuomo** signs legislation recognizing hospices as a state-sanctioned form of health care.

**Sept. 1983: U.S. Veterans Administration** adopts right-to-die regulations for its hospitals, giving the patient, his family, and even his friends the right to order cessation of treatment for "terminally ill" veterans or other persons in the VA's care.

**September 1983:** Regional court in **Krefeld, West Germany**, exonerates **Dr. Herbert Wittig**, a physician who refused to come to the aid of a suicidal patient, despite the fact that he had time to save her from her intentional death.

**Sept. 29, 1983: California Senate Bill 762, the Durable Power of Attorney Act**, introduced by Senator Barry Keene, is passed. It licenses family members and/or guardians to dictate the removal of all life-supporting measures from a terminally ill or incoherent patient, thus legalizing the murder of individuals such as Clarence Herbert who have *not* signed "living wills."

**Oct. 12, 1983:** Second Appellate District Court of Appeals rejects lower court's murder charges against **Kaiser Permanente doctors Robert Nejdil and Neil Barber**. Judge Lynn Compton also establishes guidelines for decisions to withhold or withdraw life sustaining treatment stating that "*Medical nutrition and hydration may not always provide net benefit to patients. . . . Their benefits and burdens ought to be evaluated in the same manner as any other medical procedure.*" Food and water given intravenously is classified as equivalent to the use of the respirator: "The distinction is based more on the *emotional symbolism of providing food and water to those incapable of providing for themselves* rather than on any rational differences [emphasis added]."

**Oct. 13, 1983:** California Appellate Court rules that the death of **Clarence Herbert** was not murder, and that the doctors were not guilty of any "failure to perform a legal duty."

**October 1983: The Hemlock Society and the American Civil Liberties Union** sue in California courts for the "right" of **Elizabeth Bouvia**, a 26-year-old victim of cerebral palsy





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with a master's degree, to starve herself to death without interference of the hospital. The judge rules that the hospital must provide care.

**October 1983:** New York State Court allows parents of a Long Island infant "**Baby Jane Doe**," born with spinal bifida, to deny her a life-saving operation.

**Oct. 31, 1983:** The California Hospital Association establishes new guidelines to withdraw life-sustaining treatment based on the Compton decision in the **Clarence Herbert** case.

**Nov. 1, 1983:** The **Tax Equity and Fiscal Responsibility Act of 1982** goes into effect. It allows Medicare funds to be granted to patients who elect hospice care instead of hospital care, and in effect pays the elderly not to receive treatment, but to die at home.

**Nov. 17, 1983:** Federal District court Judge Leonard D. Wexler denies request by the Reagan administration to examine the medical records of **Baby Jane Doe**, in order to decide whether to pursue a civil rights case demanding medical treatment. Wexler rules that release of the records without the parents' consent would violate the constitutional right to privacy and the confidentiality of the doctor-patient relationship.

**Dec. 12, 1983:** Judge Rose Elizabeth Bird of the Supreme Court denies decertification of the Compton decision in the **Clarence Herbert** case, thus letting stand the guidelines for withholding food and water, to be used as a precedent in future euthanasia cases.

**Dec. 15, 1983:** A Rome court gives a four-year suspended sentence to a man who shoots his nephew to death because he was suffering from hydrocephalus.

**Jan. 9, 1984:** The Reagan administration issues the final recommendation of the **Health and Human Services Department** on discrimination of care against handicapped infants. Surgeon General C. Everett Koop announces a regulation governing the nation's hospitals which reveals a capitulation to the euthanasia lobby:

- hospital "ethics committees" to be instituted to decide the fate of handicapped infants;
- state agencies to establish procedures to protect against medical neglect, thus eliminating federal "interference" in cases;
- guidelines cannot interfere with reasonable medical judgment and do not require medical care in futile cases;
- The Health and Human Services Department can only work through Infant Care Review Boards in suspected violations, and should avoid unnecessary investigations.

**Feb. 2, 1984:** The New York State Supreme Court absolves health-care institutions from the responsibility to provide necessary nourishment and medical treatment in the case of 85-year-old **G. Roth Henninger**, who decided to starve himself to death. Judge Donald Miller ruled that any attempt to sustain the life of Henninger would constitute assault and battery against the patient, and violate his First Amendment rights to free expression and privacy. The man was successful in killing himself.

**March 24, 1984:** New York Grand Jury investigation of "do not resuscitate" practices in **Sloan-Kettering and LaGuardia hospitals** results in regulation of the practice by the governor, rather than its elimination.

**March 27, 1984:** Colorado Gov. **Richard Lamm**, former president of Zero Population Growth, states at the Colorado Health Lawyers Association: "Like leaves which fall off a tree forming the humus in which other plants can grow, we've got a duty to die and get out of the way with all of our machines and artificial hearts, so that our kids can build a reasonable life."

**April 12, 1984:** The *New England Journal of Medicine* publishes guidelines for treating the terminally ill. The guidelines are proposed by a dozen prominent physicians, some attached to respected medical schools, at a meeting organized by the Society for the Right to Die. They specifically recommend the withholding or withdrawing of food and water by vein or gastric tube that would perpetuate "non-meaningful life." The guidelines state that even for "elderly patients with permanent mild impairment of competence," the "pleasantly senile," emergency resuscitation and intensive care should be applied "sparingly."

**1984:** Georgia, Mississippi, West Virginia, and Wisconsin adopt right-to-die laws.

# Nazi doctor kills cancer patient

by Lena Mletzko

After the Second World War, Nazi criminals were hung in Nuremberg for what is being re-introduced in the Federal Republic of Germany today: euthanasia, the "elimination of lives deemed not worthy to be lived." What the Allied states defined as "crimes against humanity" is now being sold as "dying with dignity" and *Sterbehilfe* ("death help") by a propaganda campaign which the Nazis dared not openly wage for fear of the German population's outrage.

A West German physician, Dr. Julius Hackethal, deliberately killed a 69-year-old patient on April 18 by serving her four grams of cyanide, which she drank after she had been convinced that her "voluntary" death was part of a pilot project to help other people to die with dignity. This is now being used in the way Hackethal intended: as a test case for German court decisions and future legislation to overcome public resistance against the legalization of "active death help" and the elimination of old, sick, or handicapped people, who live "at the expense of society" in an increasingly difficult economic situation.

Dr. Hackethal murdered Hermy E. in his private hospital on Lake Chiemsee, near Munich. Her face had been disfigured from 13 operations to treat skin cancer; but she was mentally alert and physically strong. Dr. Hackethal convinced her that she was very ugly, her life would be miserable, and her death would help others who wanted to die but were prevented from doing so by the law.

After Mrs. E. had swallowed the poison and died, Hackethal said: "This was one of my best operations in 39 years."

The international Club of Life, headed by Helga Zepp-LaRouche, has filed a suit charging Hackethal, his co-conspirator Hans-Henning Atrott, and the German Association for Death with Dignity (Deutsche Gesellschaft für Humanische Sterben—DGHS) with "incitement and aid to murder and public promotion of crimes." The Club of Life is demanding Hackethal be forbidden to practice medicine, and is testifying at the judicial hearing at which he is charged with manslaughter. The activities of Hackethal et al. must be judged as crimes against humanity, as these are defined in the Nuremberg statutes, the Club of Life maintains.

The euthanasia policy which Adolf Hitler launched in secret is today trumpeted by his ideological descendants through television and the popular press.

In October 1939, Hitler signed an order delegating

Reichsleiter Phillip Bouhler and Dr. Karl Brandt (the administrator of the secret euthanasia program) the power "to enable as yet unnamed doctors to mercifully kill those who are judged, as far as is humanly possible, through a critical examination of their diseased condition, incurably ill." This authorization and the subsequent Aktion T-4, which liquidated more than 70,000 human beings within 17 months, was not in accordance even with National Socialist legal norms, and therefore had to be kept secret because—after various tests with popular films and so forth—German opinion was not considered ripe enough to accept it.

Today the murder of Mrs. E. is being used to kick off an unprecedented public relations campaign. Hackethal announced that he was going to continue "helping people to die." Next time, he said, he would use "death drops," containing an overdose of sleeping pills.

Henning Atrott of the DGHS boasted: "The debate on 'active death help' has made a huge and very significant leap forward." More doctors will now "confess" to having "helped patients to die."

Who are these new Nazi doctors? Dr. Hackethal is inspired by the teachings of the anthroposophy cult, and his flagrant quackery led health insurance companies to withdraw his license years ago. So he opened his own private clinic, treating patients with "unconventional" methods. Atrott heads the DGHS, an organization founded in 1980 which advocates the repeal of West German laws forbidding the killing of someone who desires it.

A year ago Atrott proudly announced that 2,500 Germans had ordered a how-to manual called "Suicide by Prescription," which identifies the fatal dosage of various drugs. "In the last two and a half years alone, 500 of our members died in a dignified way," Atrott reported. Up to 20 members commit suicide each month.

On the board of the DGHS are Otto Schily, the terrorist lawyer who is a member of parliament for the terrorist-environmentalist Green Party and who was hosted by the U.S. State Department last year; Heinrich Albertz, one of the godfathers of the German "peace movement"; and Jürgen Seifert, a lawyer who has persistently fought to protect terrorists from state prosecution.

Dr. Hackethal and Atrott launched their "pilot project" 15 months ago. Mrs. E. was chosen as their first victim. Hackethal was well aware that he was going to commit a crime which sends the perpetrator to prison, so he assembled expert legal advice to find a hole in German law: Since suicide is not illegal, helping people to commit suicide should not be illegal, either, he argues.

Atrott induced Mrs. E. to join his society just 24 hours before her death. He confessed that he had to work to persuade her of the necessity of her voluntary death. After she had been convinced to "commit suicide," she was filmed for "documentation" saying she would like to die. Hackethal declared as the film concluded, "Tonight I am going to fulfill my promise."

# How the Nuremberg tribunal would judge the euthanasia movement today

by Edward Spannaus

While the Nuremberg war trials, held in 1946, were devised specifically to judge war criminals from the Nazi period, these trials established principles which are binding upon the United States under natural law and international law today. These govern chiefly the crimes of genocide and of euthanasia, for which Nazi doctors such as euthanasia administrator Dr. Karl Brandt were tried, convicted, and hung at Nuremberg.

The Nazi Doctor trials were conducted by a U.S. Military Tribunal pursuant to Control Council Law No. 10. This tribunal was created after the four-power International Military Tribunal (IMT) held its trials of major war criminals. The Charter of the IMT gave the tribunals jurisdiction over the crime of euthanasia and other crimes against humanity committed in execution of, or in connection with, the war. This narrow definition excluded acts committed against German citizens prior to 1939. But the Charter did include crimes committed by Germans against German civilians—a category of crimes that went beyond the customary definition of a war crime as a crime committed against prisoners of war, or against the population of an enemy country.

The indictment against Dr. Karl Brandt et al. classified euthanasia as a war crime and a crime against humanity:

Defendants Karl Brandt, Blome, Brack, and Hoven unlawfully, willfully, and knowingly committed crimes against humanity, as defined by Article II of Control Council Law No. 10 in that they were principals in, accessories to, ordered, abetted, took a consenting part in, and were connected with plans and enterprises involving the execution of the so-called “euthanasia” program of the German Reich, in the course of which the defendants herein murdered hundreds of thousands of human beings, including German civilians, as well as civilians of other nations.

This program involved the systematic and secret execution of the aged, insane, incurably ill, of deformed children, and other persons, by gas, lethal injections, and diverse other means in nursing homes,

hospitals, and asylums. Such persons were regarded as “useless eaters” and a burden to the German war machine.

## Infanticide

The crime of euthanasia as defined by the Nuremberg trials is being committed again today, including against deformed or defective newborn infants. Nuremberg witness Gerhard Schmidt, director of the Haar-Egling Insane Asylum, testified thus:

The names of newly born children who were deformed or partly paralyzed, or mentally deficient, were submitted to the health authorities and finally to a Reich agency in Berlin. . . . A short time after the reports were filed, the Country Health Authorities of the respective districts received an order that these children should be sent to a special institution for special modern therapy. I know from hundreds of cases, that this “special modern therapy” was nothing less than the killing of these children.

Another method of killing so-called “useless eaters” was to starve them. . . . This method was apparently considered very good, because the victims would appear to have died a “natural death.” This was a way of camouflaging the killing procedure.

U.S. Brigadier General Telford Taylor, Chief of Counsel for War Crimes for the United States, estimated that 275,000 German nationals were killed in the Nazi euthanasia program, along with hundreds of thousands of foreign nationals. The Tribunal established the following binding principles of judgment:

- 1) Euthanasia was defined as a crime against humanity;
- 2) This determination was not restricted to euthanasia committed against foreign and conquered peoples by the Nazis, but included euthanasia committed by Germans against other Germans. Article II of Control Council Law No. 10 defined Crimes Against Humanity as:

Atrocities and offenses, including but not limited to murder, extermination, enslavement, deportation, imprisonment, torture, rape, or other inhumane acts committed against any civilian population, or persecutions on political, racial, or religious grounds whether or not in violation of the domestic laws of the country where perpetrated.

3) The intent of the person or persons charged with euthanasia was not at issue:

We have no doubt that Karl Brandt—as he himself testified—is a sincere believer in the administration of euthanasia to persons hopelessly ill, whose lives are burdensome to themselves and an expense to the state or to their families. The abstract proposition of whether or not euthanasia is justified in certain cases of the class referred to is no concern of this Tribunal. . . . The Family of Nations is not obligated to give recognition to such legislation when it manifestly gives legality to plain murder and torture of defenseless and powerless human beings.”

—Trials of War Criminals Before the Nuremberg Military Tribunals Under Control Council Law No. 10, Vol. XI, p. 235.

The narrow interpretation of the Nuremberg International Military Tribunal Charter—that it applied only to crimes committed during the war—led to the development of a resolution presented at the United Nations in 1946. That resolution affirmed the Nuremberg principles and defined the crime of genocide. Both aspects of the resolution were strongly supported by the United States.

Resolution 95 (1), “Affirmation of the Principles of International Law recognized by the Charter of the Nuremberg Tribunal” (adopted Dec. 11, 1946), affirmed those principles and called for their codification into international law.

Resolution 96 (1), “The Crimes of Genocide,” called upon member states to enact legislation for the prevention and punishment of genocide, and authorized the Economic and Social Council to draft a Convention on Genocide.

“The International Convention on the Prevention and Punishment of the Crime of Genocide” was drafted and adopted unanimously by the U.N. General Assembly on Dec. 9, 1948. The appropriate body for supervising this convention today is the U.N. Commission on Human Rights, located in Geneva.

The United States voted for the convention, and signed it with reservations on Dec. 11, 1948. It was submitted to Congress by President Truman in 1949 for ratification by the Senate, but it was never ratified.

The U.S. reservation was that a state could not be held liable for injuries to its own citizens. In the Senate debate on ratification, the Convention was opposed for nationalist and isolationist reasons, with the argument that the convention

would give an international body jurisdiction over acts that are the province of a sovereign state. Not being a signatory to the Genocide Convention, the United States could argue that it is not legally bound by it.

## The jurisdiction of natural law

Nevertheless, the United States is bound morally, and by precedent, to adhere to the Nuremberg Principles on the following grounds:

1) The United States is morally bound by the Nuremberg precedent. Not only was the United States a party to the Charter which created the International Military Tribunal, and which defined crimes against humanity, but the “Nazi Doctor” trial was conducted exclusively by the United States. As the country which defined the principle, the United States has no right to exempt itself from it.

2) The chief prosecutor for the United States, Telford Taylor, argued in his closing statement that the military tribunal’s substantive provisions “derive from and embody the law of nations.” Therefore the United States is bound to follow the argument of this nation’s preeminent Chief Justice John Marshall (1755-1835). Marshall and subsequent Supreme Court justices have held that the law of nations is incorporated into the U.S. Constitution.

3) The United States voted for the United Nations resolution affirming the Nuremberg principles and declaring genocide to be a crime.

On these grounds the United States is not only subject to the standards of the genocide convention as a nation, but the U.S. attorney general is bound to uphold the Nuremberg principles in their application against individuals within the United States. As a constitutional republic bound by natural law, we are duty-bound to regard the Nuremberg principles as incorporated into the criminal law of the United States.

We reproduce here the entire text of the Genocide Convention.

## The Genocide Convention

The Contracting Parties,

Having considered the declaration made by the General Assembly of the United Nations in its Resolution 96 (I) dated 11 December 1946 that genocide is a crime under international law, contrary to the spirit and aims of the United Nations and condemned by the civilized world;

Recognizing that at all periods of history genocide has inflicted great losses on humanity; and

Being convinced that, in order to liberate mankind from such an odious scourge, international cooperation is required,

Hereby agree as hereinafter provided:

## Article I

The Contracting Parties confirm that genocide, whether committed in time of peace or in time of war, is a crime under

international law which they undertake to prevent and to punish.

## Article II

In the present convention, genocide means any of the following acts committed with intent to destroy, in whole or in part, a national, ethnical, racial, or religious group, as such:

- (a) Killing members of the group;
- (b) Causing serious bodily or mental harm to members of the group;
- (c) Deliberately inflicting on the group conditions of life calculated to bring about its physical destruction in whole or in part;
- (d) Imposing measures intended to prevent births within the group;
- (e) Forcibly transferring children of the group to another group.

## Article III

The following acts shall be punishable:

- (a) Genocide;
- (b) Conspiracy to commit genocide;
- (c) Direct and public incitement to commit genocide;
- (d) Attempt to commit genocide;
- (e) Complicity in genocide.

## Article IV

Persons committing genocide or any of the other acts enumerated in article III shall be punished, whether they are constitutionally responsible rulers, public officials, or private individuals.

## Article V

The Contracting Parties undertake to enact, in accordance with their respective Constitutions, the necessary legislation to give effect to the provision of the present Convention and, in particular, to provide effective penalties for persons guilty of genocide or any of the other acts enumerated in Article III.

## Article VI

Persons charged with genocide or any of the other acts enumerated in Article III shall be tried by a competent tribunal of the State in the territory of which the act was committed, or by such international penal tribunal as may have jurisdiction with respect to those Contracting Parties which shall have accepted its jurisdiction.

## Article VII

Genocide and other acts enumerated in Article II shall not be considered as political crimes for the purpose of extradition.

The Contracting Parties pledge themselves in such cases to grant extradition in accordance with their laws and treaties in force.

# Cost benefits of medical technology

by Ned Rosinsky, M.D.

Contrary to the claims of the advocates of euthanasia, advanced medical technology *cheapens* health care costs. A case in point is the Computerized Tomography (CT) scanner, a machine which costs on the order of \$1 million, but which can pay for itself within one year in a busy hospital.

The efficiency of CT was recently evaluated in a five-year study conducted at the Massachusetts General Hospital and published in the November 1983 issue of the *American Journal of Roentgenology*. The study showed that in a group of 2,619 randomly chosen patients, body CT scans resulted in enormous savings through avoidance of unnecessary surgery and of dangerous diagnostic procedures such as arteriography, as well as through improved accuracy of diagnosis. In those 385 patients for whom CT was judged to be either equally effective as other lab tests or more so, 244 patients were headed for surgery before CT; however, after CT, only 81 of them were still considered in need of surgery.

We can calculate a rough estimate of the savings that CT allows. The average cost of the type of abdominal surgery procedures which form the majority of the cases in the study would be \$3,000 to \$5,000. Since the cost of the CT procedure is \$300 to \$400, and since in this study 14% of patients avoided unnecessary surgery, the savings more than made up for the cost of the CT process! Add to this the saving to patients of the trauma of surgery with all its attendant risks.

In the case of CT head scanning, typically a patient with head trauma and a decreasing state of consciousness is suspected of having dangerous bleeding in the head. Before CT, the physician's only choice was to operate and check for blood. Yet a large percentage of such patients turn out to have no bleeding, and the procedure thus produces no benefit, only subjecting the patient to an unnecessary and expensive craniotomy operation.

Only if one looks toward eliminating modern medical treatment for the bulk of the population does it make sense to scrap the CT. That is what the euthanasia advocates intend to do.

## Colombian anti-drug fighter slain by Kissinger, IMF

by Valerie Rush

The International Monetary Fund and the networks of Henry A. Kissinger showed a desperate hand in the April 30 assassination of Colombian Minister of Justice Rodrigo Lara Bonilla. The cabinet member was driving home from work with his young son when two professional assassins on a motorcycle machine-gunned him to death.

The murder of Lara Bonilla was neither the act of a vengeful drug trafficker nor of terrorists, as some have claimed, but a warning to President Belisario Betancur and a challenge to the continued survival of Ibero-America's nation-states on the part of Dope, Inc.'s enforcers. Lara's singleminded war on drugs was threatening an empire.

Two weeks before his murder, Lara, speaking in Caracas, Venezuela, echoed Betancur's earlier call for a "world pact" against drugs, including universal extradition procedures against traffickers. Unity of action against the common enemy was Lara Bonilla's *raison d'être*, and it was but a short step to go from identifying the drug trade as the enemy to uncovering the international network of political and financial institutions that lay behind it. That is why he was killed.

Lara was pulling together a continental effort to battle what was clearly an enemy which respected no borders. He had succeeded in forging an Andean-wide pact against drugs, and was seeking bilateral and multilateral anti-drug agreements with Brazil, Argentina, Mexico, and the Central American countries as well. He was lobbying intensively for a reversal of President Betancur's anti-extradition stance, and had succeeded in convincing the Betancur government to approve the experimental use of herbicides against Colombia's vast drug crops, a move with potentially universal repercussions.

A joint declaration of the Mexican Labor Party and the Andean Labor Party being distributed as a mass leaflet

throughout Ibero-America declares that "in order to win a war, you must know your enemy. The paid thugs who killed Lara Bonilla worked on orders from the international financial oligarchy, which runs the \$250 billion illegal drug traffic."

As proof of these startling charges, the joint statement by the two parties, both inspired by the ideas and program of *EIR* founder and U.S. political leader Lyndon H. LaRouche, Jr., cites the following:

"1) On Nov. 3, 1983, the daily *Neue Zürcher Zeitung*, mouthpiece of the Swiss banking aristocracy, demanded that the anti-drug campaign of President Belisario Betancur be put to an end. The newspaper recalled that 'In the past decade, Colombia could depend annually on \$2 to \$3 billion which flowed from uncontrolled exports of the most varying sorts [a euphemism for illegal drugs]. . . . Were the government's *moralizing campaign* to become the basis for a reduction in this area, Colombia . . . would see itself . . . no longer in a position to earn the foreign exchange necessary for its economy.' The threat could not have been clearer.

"2) It was precisely at that time that the first assassination plot against the justice minister was discovered, a plot which included wiretapping of his private telephone. . . . At the same time, the Andean Labor Party and the National Anti-Drug Coalition, for years the most energetic enemies of the drug mafias, were hit with a series of threats from the drug networks.

"3) Meanwhile Henry Kissinger was preparing his report on the Bipartisan Commission on Central America, in which he says that the region's economy must be 'restructured' following the model of the British colonies: 'Hong Kong, Singapore, and others,' i.e., the Asian centers of the dope trade. . . . The colonial plantations of United Brands, the banana company whose ships reportedly transport some 20%



*Rodrigo Lara Bonilla*

of the illegal marijuana and cocaine that enters the United States, are cited in the report as 'model employers and model citizens'—embodying the type of 'private initiative' intended in Kissinger's plans. . . .

"4) The International Monetary Fund at that moment heightened its pressures to force nations in the region to definitively abandon all attempts at industrial growth. . . . At the end of January, the creditors' cartel, meeting at the Mayflower Hotel in Washington, announced its 'final solution' for Ibero-America: to seize control over the national economies and turn them into feudal plantations.

"5) Coinciding with Kissinger's renewed ascent to political power in the United States, the international banking apparatus of 'Dope, Inc.' was reorganized, with the personal intervention of Kissinger himself. American Express merged with the banking apparatus created around the late dope mobster Meyer Lansky and headed by the president of United Brands, Carl Lindner, and the mysterious Edmund Safra. In March 1984, hardly a month and a half before the assassination of Lara Bonilla, Kissinger was pulled onto the executive board of American Express.

"6) Meanwhile, the oldest opium trafficking banking house in the world got ready to leave Hong Kong for the new paradise offered by Henry Kissinger. . . ."

### **Taking up the challenge**

President Belisario Betancur responded to the murder of his justice minister with the announcement: "The Colombian government accepts the challenge . . . and, above all, shall wage war against the drug traffickers."

Betancur has declared a nationwide state of siege, placing all drug-related criminal cases under military jurisdiction and ordering raids against the homes and offices of dozens of

suspected mafiosi. Eight members of the infamous Ochoa clan, including its head Fabio Ochoa Restrepo, have fallen into the dragnet and Evaristo Porras, the drug trafficker who smeared Lara Bonilla with the claim that he had accepted a 1 million pesos bribe, is also in jail. A private zoo owned by Pablo Escobar in Medellín was raided by the police, and discovered to contain a virtual fortress within its walls.

The Ochoa family, Escobar, and Porras were all named as the owners of the giant cocaine refining complex busted earlier this year in the southern jungle department of Caquetá. The complex, which had been dubbed "Tranquilandia" by its owners, was a virtual city, with sophisticated laboratories, modern conveniences, and fleets of cars and planes. The government raid, coordinated by Lara Bonilla together with specially trained narcotics police, yielded an unprecedented 10 tons of refined cocaine.

All governors in the country have been granted free rein to apply military law as they see fit, and other "extraordinary measures" are being decreed by the president on an hourly basis. The Council of Ministers has been convoked on Betancur's request to consider granting provisions for the expropriation of all assets belonging to known drug traffickers.

Especially important is Betancur's turn-around decision to grant the extradition of Colombian drug traffickers. In his speech at Lara Bonilla's burial, the shaken president declared: "For philosophical reasons, for conviction, . . . for Christian arguments, I opposed the extradition of Colombians sought by other governments, because I felt and continue to feel that they should be judged and convicted or absolved by their own countrymen. But we are in an hour of reflection. . . . Colombia will hand over those criminals sought by the crime commissions of other countries, so that they are punished in exemplary fashion in this universal operation against an equally universal attack."

### **The nation rises to its feet**

In the 24 hours that followed Lara Bonilla's death, a surge of nationalist commitment to take up where he left off swept not only Colombia but much of the rest of the continent. As soon as Lara's murder was known, thousands upon thousands of Colombians displaying white armbands filled the main streets and the Plaza Bolívar of Bogotá to mourn for the man who had died battling their nation's enemies. May Day celebrations of the nation's trade unions were converted in many parts of the country into memorials for the slain justice minister.

The Colombian Workers Union (UTC), the country's largest trade union federation, also issued a public statement deploring the assassination and calling for a nationwide day of mobilization. "This nation must rise to its feet, without exception, to surround the government and offer its manifold support, to encourage the decisions required to defend the constitution and the law."

Luis Carlos Galán, presidential candidate and leader of the "New Liberalism" faction of the Liberal Party to which

Lara Bonilla belonged, declared over his friend's grave: "The struggle against drug-trafficking cannot be seen as the work of a handful of idealists who die like Rodrigo Lara Bonilla. . . . All political forces and all social sectors must understand this reality as an essential common cause if the state is to survive."

The "Contadora" nations (the Contadora Group—Mexico, Venezuela, Panama, and Colombia—have been seeking a regional solution to the Central American conflict), as well as Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua, expressed their sorrow at the loss of an Ibero-American patriot, and promised to "battle drug traffic and terrorism in their respective states with all the means at their disposal as well as to collaborate for their definitive eradication."

The Organization of American States (OAS) dedicated its ongoing session to pay homage to Lara Bonilla. President Reagan sent a telegram of condolence. U.S. Ambassador Lewis Tambs declared, "Lara Bonilla was not only an official friend but a personal one. He had an unequalled sense of humor and the courage to match it. . . . Our government is in mourning over the death of this brave and good minister."

### The citizens above suspicion

In his nine months in office, Lara Bonilla had dedicated his energies to uncovering the "citizens above suspicion." The untouchable billionaire Pablo Escobar, whose congressional post provided him immunity from innumerable drug, murder, and conspiracy charges, became Lara's number-one target for prosecution. Sports magnates who used their big-name soccer teams to launder drug money suddenly found their names splashed across the front pages of Colombia's dailies. Corrupt judges were put on notice and government officials began to receive indictments. Respectable bankers began to flee the country with not-so-respectable criminal charges on their heads.

On Dec. 1 of last year, Lara sent a message to the leaders of the Colombian National Anti-drug Coalition (CNA) in solidarity with their cause, offering his office's assistance against the campaign of harassment and intimidation the CNA was enduring: "With genuine concern I have learned of the threats and attacks which the CNA has suffered as the result of its praiseworthy efforts.

"From the moment that I undertook a strong position of battle against the mafias and the drug trade, both as senator of the republic and as Minister of Justice, I have known what it is to feel threatened. That is why I am in fully solidarity with you and offer you my fullest spirit of cooperation and aid."

Lara Bonilla made powerful enemies in Colombia. Scarcely a day passed that he or his family did not receive a death threat by mail or phone. His ministry and telephone lines were discovered last February to have been intercepted by mafia assassins mapping out his daily routines. At least twice he was forced to defend himself publicly from mafia-orchestrated scandals implicating him in drug-related corrup-

tion. And yet the threat Lara Bonilla posed went beyond the local godfathers.

### Uncovering the enemy

Right after the *Neue Zürcher Zeitung* issued a public warning last November to Betancur to end his war on drugs or face the consequences, Colombia was slammed with a near-total cutoff of international credit, leading to the draining of her international reserves and a heightened vulnerability to the dictates of the International Monetary Fund. Betancur has been forced to seek dollars and gold to boost the country's flagging reserves.

And in recent months, dope-allied press outlets moved to smear and discredit Lara Bonilla, creating the environment for his assassination. The April issue of the French porno magazine *Actuel* carried an article by Spanish neo-fascist Gonsales-Mata asserting that Lara Bonilla was on the take from the drug traffickers and that government seizures of cocaine caches had been falsified.

Rodolfo Schmidt, the editor of the Venezuelan newspaper *Diario de Caracas*, published a series of articles over the past several months accusing Lara Bonilla of being "anti-Venezuelan" and of running cover for the drug trade. In an unsigned commentary published after Lara Bonilla's murder, *Diario de Caracas* claimed that the justice minister's name was found on bags of cocaine uncovered during a drug bust in Venezuela several months back and that during the justice minister's recent visit to Caracas he had been accompanied by a known drug trafficker.

Fausto Charris Romero, the head of the Colombian Anti-drug Coalition, has announced that the national anti-drug organizations on the continent will be forming a single Ibero-American Anti-drug Coalition and will be publishing a continental magazine, entitled *Guerra a las Drogas (War on Drugs)*. The first issue of *Guerra a las Drogas* will include a lengthy article by Charris on the parallels between Britain's Opium Wars against India and China during the early 1800s and the neo-colonialist assaults on Ibero-America today.

Democratic presidential candidate Lyndon H. LaRouche, the founder of the U.S. National Anti-drug Coalition who provided the inspiration for the founding of sister coalitions throughout Ibero-America, has similarly pledged to win the war that Lara Bonilla was courageously waging. In a statement carried in several Colombian newspapers, LaRouche declared: "A great and courageous man has died, fighting the Kissinger-linked drug mafias and Kissinger's pro-drug Liberal Party friends.

"Rodrigo Lara Bonilla was a personal friend of our associates in the National Anti-drug Coalition of Colombia. . . . Lara Bonilla had wanted to go to Cairo this week to be with us in an international conference of the Club of Life. That conference could not be held through international pressures brought to bear by Kissinger and his associates.

"Lara Bonilla was a soldier against evil and drugs. We, soldiers like him, will keep fighting his battle in his name."



# Rodrigo Lara Bonilla: a man of courage

Rodrigo Lara Bonilla, 1944-84, was born in Huila, Colombia. He is survived by his wife and three young sons. A lawyer and former university professor, he was mayor of his hometown of Neiva, a senator, and an ambassador before his appointment to the post of Justice Minister under President Belisario Betancur in August, 1983.

Lara Bonilla was a member of the Nuevo Liberalismo wing of the opposition Liberal Party, a dissident, anti-drug faction headed by presidential candidate Luis Carlos Galán, and the sole representative of that faction inside Betancur's Conservative Party government.

The following is a chronology of Lara Bonilla's courageous battle against the drug trade during his brief nine months in office:

**August 1983:** Immediately upon being appointed to his post, Lara Bonilla puts the mafia on notice by launching a congressional debate on the infiltration of "hot [drug] money" into Colombian politics. He particularly targets the billionaire alternate congressman Pablo Escobar Gaviria and Hitler admirer Carlos Lehder Rivas. Both Escobar and Lehder are presently fugitives from the law.

In response to Lara's frontal assault on these mafia godfathers, Cong. Ortega Ramírez (whose alternate is Escobar) publicly charges that Lara had accepted one million pesos from a drug trafficker while managing the Galán presidential campaign in 1982. Despite Lara's denial of the charge, the leading anti-government daily *El Tiempo* editorially demands Lara's resignation from the Justice post. *El Tiempo* is the political news outlet of Alfonso López Michelsen, president of Colombia during the period of the greatest illegal drug "bonanza" in Colombia (1974-78).

**September 1983:** Lara tells the daily *El Espectador* that he and his family are receiving daily threats from the drug traffickers, but that "I will not yield in my fight against the drug industry. What would happen if the justice minister died of fright from every threat against him. There are risks one must assume in life. . . ."

The National Narcotics Council (Consejo Nacional de Estupefacientes) under the jurisdiction of Lara's justice ministry, is reorganized and strengthened, including centralization within its offices of all purchases of chemicals that could be used to refine cocaine.

The civil aeronautics agency, on orders of the justice ministry, grounds over 100 private airplanes belonging to prominent drug traffickers and begins the systematic mapping of clandestine airstrips nationally.

**October 1983:** Lara Bonilla charges that the drug mafia has "infiltrated" professional soccer in Colombia, and reveals the names of 6 out of 14 professional teams in the country which are in the hands of the mafia. A congressional investigation based on his charges is begun.

**November 1983:** Lara Bonilla announces that drug money has also infiltrated other sports arenas, including horse racing and bullfights, and warns that his exposures of corruption in professional sports will continue. Despite congressional resistance to pursuing the investigation, Lara insists "I will not retreat one centimeter" from my charges.

**December 1983:** Battle over U.S.-Colombian Extradition Treaty's application. Following repeated threats from the mafia that extradition of captured drug traffickers would be met with widespread terrorism, Betancur turns down several extradition requests.

Lara Bonilla calls on Congress to give him the legal jurisdiction to confiscate private property and capital assets of drug traffickers; he also denounces those judges who through either cowardice or corruption are releasing drug traffickers from jail.

Lara Bonilla authorizes the National Drug Council to begin feasibility studies on the use of paraquat as an anti-marijuana herbicide, and experimental use of the herbicide is approved, despite violent opposition from the health ministry and leading political forces.

**January 1984:** Interception of home and ministry telephone lines belonging to Lara Bonilla is discovered as part of a mafia-financed plot to assassinate the minister.

Lara Bonilla informs the political parties that the drug mafia is infiltrating the electoral slates of both major parties, and promises to publicly release the names.

**February 1984:** Former Deputy Minister of Justice and anti-drug lawyer González Vidales is assassinated by hired guns of the mafia. Lara Bonilla receives a telephone threat, "Lara Bonilla will be next."

Narcotics squads of the National Police raid the jungle cocaine complex known as "Tranquilandia," the largest illegal drug laboratory discovered in the world.

**April 1984:** Lara Bonilla calls for a "world pact" against drugs, beginning with bilateral and multilateral agreements among the Andean nations, and global extradition procedures against drug traffickers.

## Colombia's Betancur: 'Above all we shall make war on drugs'

*The following are excerpts from the presentation given on Colombian radio and television by President Belisario Betancur at 2:30 a.m. on May 1, after learning of the death of Justice Minister Rodrigo Lara Bonilla.*

Compatriots: The government of Colombia, and the President of Colombia personally, express, as do all good people, their grief at the death of the justice minister, victimized for having fulfilled his duty and for the battle he waged against organized crime, which sought to capture this nation.

The profound sorrow which grips us, and our national solidarity with Lara Bonilla's mother, his wife, his children, with all his family members and his compatriots, should serve as a lesson to us all, and especially to those of us who exercise authority over that bitter and thorny road to peace and justice, viewing the dangers which threaten a people when their moral reserves are weakened.

Peace, my fellow citizens, is an ideal with many facets and is for that reason an elusive one. We have been determined to achieve it in the political arena, yet with such uneven results that not even the serenity with which the state of siege was decreed for those four departments, affected by intolerable acts of subversion and faced with . . . enormous drug-trafficking operations—not even this sufficed to bring about the overtures [of peace] which the government and the community had hoped for. On the contrary, it has produced an escalation of violence which rightfully has alarmed all good people. . . .

Exactly one month ago I expressed, through this same medium, my anguish over this situation when, in speaking of a first glimmering of hope in the struggle for peace, I said that this step was a firm one, that we could dedicate ourselves to no more meaningful task, and I said so with these words which I now repeat with such profound sorrow:

I said then that to recover the national dignity stolen from us by the drug trade, which presents us to the world with a black image and poisons and perverts our youth, is the great task that we have before us: to denounce [the traffickers]

daily, to put them on notice that they cannot continue to undermine our society, to tell them in one great national chorus: "Enough!"

And I added on that same occasion that we must end all facetious references to what this drug empire is doing, as if it were unimportant. The greatest problem that Colombia has had in its history is drugs. Its evil effect on our people, on their health, their morality, is dramatically summed up in our poverty, our unemployment, the alienation from our physical values, our moral and our basic values; in other words, we are talking about rescuing a society . . . hence the surgical operation which we must make, in a new dauntless, tireless, and intrepid fight for moral peace.

Every councilman, I said, who gains his municipal post through [the influence] of the drug mafias is the equivalent of three, four, five or more guerrilla fronts in the remote mountains. Each family of honest background which enters the service of the drug trade means the same thing: not taking up arms for concrete political ideals, or even vague ones, but swelling the ranks of a new anarchism created by the destructive chimera of easy money which allows opulent or extravagant living.

Fellow citizens, we stand today before an inescapable reality: an exemplary Colombian, a good man, paid with his life for his love of country, of justice, and of that so often forgotten sense of what it means to fully do one's duty, consciously applying that sense of virtue and the values which make human beings and nations worthy of respect, [placing these] above even the most elementary sense of personal security and survival. The state can take no revenge, less so because of the sacrifice of him who so honorably represented and paid homage to justice. . . .

We will exhaust the extraordinary measures we need without vacillation, with prudent firmness. . . . Our state shall never allow the destruction of society. And we proceed guided by respect for human rights; the community and the state which represents it may offer protection without engaging in excesses. But above all we shall wage war against the drug traffickers. . . .

In sum, we shall initiate a great national mobilization. No Colombian man, woman, child, youth, or adult, rich or poor, must be silent through interest or fear. Their personal security, their future, the future of this nation, sometimes so bitter but always beloved, demands participation in this new task of independence. We shall rescue the national dignity stolen by the drug traffickers. There is no lust for vengeance over the fresh grave of the patriot Rodrigo Lara Bonilla. The handful of Colombian soil which we cast in sorrow upon his lifeless body expresses a great national grief, a great personal grief. But above all it expresses pride, and the hope of the nation which he loved and honored as did the greatest heroes, in whose pantheon he already belongs, because he made the supreme sacrifice of his life. Let us all be worthy of the memory of Rodrigo Lara Bonilla.

# Britain's inside track to 'save' Qaddafi

by Scott Thompson

What some in the U.S. press are now calling the most "genteel" terrorist incident ever involving Libya, namely the murder of a British police officer and wounding of 10 anti-Qaddafi demonstrators outside the Libyan Embassy in London, was set up by the British Secret Intelligence Service.

This incident has given Great Britain an inside track to sabotage international efforts to topple Libyan dictator Muammar Qaddafi, who on May 1 declared that his regime had the "right" to carry out global terrorism. The evidence of British complicity with Qaddafi in the Libyan Embassy incident is overwhelming.

Great Britain allowed the February takeover of the Embassy by "revolutionary students," who transformed it into a "People's Bureau." This takeover occurred at the very moment when a Libyan government reorganization created a General People's Committee for External Security, which could best be described as the "Ministry for International Terrorism."

Colonel Yunis Bilqasim Ali, the head of this Libyan "Smersh," immediately fielded hit teams against U.S. and French diplomats, as well as against Libya's enemies in North Africa, working with Ahmed Qadafadam, a cousin and special envoy of Muammar Qaddafi. Others on this "foreign assassination bureau," such as Sayed Rashid, were known to be involved in the assassination of Libyan exiles.

Great Britain continued to recognize the "diplomatic immunity" of "revolutionary students" at the Embassy, even after Colonel Yunis' Terrorism Ministry carried out the March 10 bombing of the L'Auberge night club in the Mayfair district of London, which is frequented by anti-Qaddafi exiles. On April 16, the day before the demonstration outside the "People's Bureau," two Libyan diplomats warned the British Foreign Office that there could be violence if the demonstration was allowed. It has also been confirmed that the Cheltenham GCHQ electronic intelligence-gathering facility intercepted orders from Tripoli to carry out an attack upon the demonstrators, yet the British government took no other security precautions than to deploy regular Bobbies on the scene.

The "People's Bureau" hoax gives Britain "credentials" at the NATO foreign ministers meeting at the end of May in Washington, D.C. to undermine any concerted effort against Qaddafi's renegade regime. Sources within Great Britain,

joined by Ahmed Huber, the ally of Swiss-based banker for Nazi-Soviet terrorism François Genoud, have put out the line that Qaddafi is weak but that any attempt to overthrow him would only assure that someone tied even more closely to the Soviets would succeed him.

Britain has sabotaged at least one attempt by anti-Qaddafi Libyans to topple the dictator. In a notorious case, the Special Air Services took over and ran a coup attempt, only to sabotage it from within.

Great Britain shares tremendous economic and political stakes in Qaddafi's Libya with Italy, which has agreed to represent British interests in that country, since Britain broke off formal diplomatic relations. British Petroleum and the Thomson press group, which share strong ties to Prime Minister Margaret Thatcher's Tory Party, helped install Qaddafi in power, then opened the door for Soviet agent-of-influence Armand Hammer of Occidental Petroleum to enter Libya. Bertrand Russell, through his agent Lelio Basso, who took over the terrorist support group the Russell Tribunal after Lord Russell's death, helped Qaddafi set up the early infrastructure for terrorism.

According to reliable sources, British SIS has even assisted Libya in arming the Irish Republican Army (IRA), through such agents as Sidney Alleyne, who works with the Dent Bank of London. Col. Qaddafi now threatens to deploy the IRA against London. This longstanding operation also gave Britain an opening to the Basque ETA, which trained the current generation of IRA terrorists, and is now involved in the destabilization of Spain.

Several things have led to Prime Minister Thatcher's decision to drop her government's open support for Qaddafi. One of the lesser reasons may be the closer military and economic ties negotiated by Libya's Colonel Jalloud with the Warsaw Pact, ties which have opened Libya as a forward base for Warsaw Pact operations against NATO's southern flank and brought 4,000 East Germans to Libya to train its military and terrorists. Thatcher's close adviser Lord Peter Carrington, now NATO Secretary General, has long sought "New Yalta" negotiations with the Soviets that would undermine U.S. influence in Europe and the Middle East.

More importantly, Qaddafi's terror war against the United States has begun to make British complicity with Qaddafi look too odious. Libyan-backed terrorist groups like the Revolutionary Armed Liberation Front (RALF) have assassinated Leamon Hunt and other U.S. diplomats in Europe. Libya's Colonel Jalloud also coordinated with Syria, Iran, and North Korea in suicide bombings against U.S., French, and Israeli installations in Lebanon. Since the "People's Bureau" hoax, a new round of Libyan-linked terrorism has been mounted through the "peace movement" in Europe and the United States against NATO installations and military plants. Under these circumstances, Britain must appear to distance itself from Libya in order to have any say in protecting Qaddafi's regime.

# Italy will be the base for 'Islamic' terror upsurge against the West

by Paolo Serri and Marco Fanini

On April 19, according to reliable sources, a secret meeting was held at the Libyan embassy in Rome to plan the next phase of international terrorism. The meeting occurred two days after a terrorist fired from the Libyan Embassy in London on a crowd of protestors, killing a British policewoman.

The Rome meeting was hosted by one of the key figures of Libyan terrorism, Ahmed Qadafadam, cousin of Qaddafi and top official of the new, sinister Ministry for External Security. Present were the head of Khomeini's secret police (Savama), Hossein Fardhust; his assistant; and a representative of the radical-terrorist Popular Front for the Liberation of Palestine (PFLP) General Command of Ahmed Jibril.

Qadafadam had just been in Geneva meeting with the chief of Syrian intelligence, Ali Duba, on April 17—the same day as the London shooting incident. A week after he conferred with Qadafadam in Rome, Fardhust was reported in Paris on April 25 and 26.

Meanwhile, arriving in London as official mediator for the Libyans in the embassy siege was a well-known specialist in Italian affairs, Col. Abdul-Rahman Shaibi, the head of military intelligence. Shaibi, who maintains contacts with Red Brigades terrorists and mafia circles, was in Italy in 1980 during the killings of exiles by Qaddafi's death squads.

This emphasis on Rome and Italy is important. Several sources have told *EIR* that the Rome Libyan embassy will become the center for all terrorist operations European-wide, while Paris will be reinforced and Madrid will be used for flying the terrorists in and out. Now that Foreign Minister Giulio Andreotti has brought Italian foreign policy officially into line with that of Moscow (see page 34), there is not much standing in the way of Italy's becoming the major European base for the spread of a New Dark Age under the aegis of "Islamic fundamentalism."

## Leamon Hunt case revisited

It was in Rome on Feb. 15 that the Red Brigades ambushed and killed the U.S. chief of the multinational peace-keeping forces in the Sinai, Leamon Hunt. Hunt had just arrived from Cairo on Feb. 13. This reinforces the hypothesis put forward by police investigators that information on his itinerary may have come from Egypt. The terrorist who shot

at his armored car used a Soviet-built Kalashnikov machine gun with specially reinforced bullets which penetrated the rear window of the auto. The terrorists knew that only 10 minutes after the attack, private security guards would have begun their surveillance shift at Hunt's residence.

Rome police investigators maintained that the Red Brigades carried out the action on behalf of Islamo-Soviet spy networks. This was confirmed on Feb. 17 by a three-and-a-half-page communiqué put out by the Red Brigades. Interior Minister Oscar Scalfaro declared to the press: "The Red Brigades operated for a foreign terrorist group, as an armed branch, whereas the mastermind behind the ambush of Leamon Hunt . . . is found elsewhere, abroad. . . . We have to give particular attention to the terrorist phenomenon, looking at its international ties. It is hard to think that the Italian terrorist groups have so much interest in killing a man like Hunt. . . . [Besides,] look at the communiqué claiming responsibility for the action: There is a catalogue of the positions and responsibilities of the American diplomat, compiled with extreme precision. One has to think of a dossier, files, extremely sophisticated information channels. . . ."

The communiqué reflected an obvious Islamic and Russian viewpoint. It attacked the Camp David accord and characterized Egyptian President Anwar Sadat, the victim of a massacre, as a "corrupt Pharaoh." This expression is used only by official Libyan publications. It proposed a solution to the Middle East conflict through an "international conference with the participation of the U.S.S.R.," a proposal "today put forward only by the Syrians and Soviets."

Merely hinting in passing at the social and economic situation in Italy, the Red Brigades' traditional focus, the communiqué instead strongly emphasized the "peace question," which led the leftist paper *Il Manifesto* to comment that "it could have been written by any half-knowledgeable Italian pacifist." The installation of nuclear cruise missiles in Comiso is another target of the Red Brigades: "Nuclear missiles are being installed in our territory which are not aimed at Eastern Europe, but above all against young nations which oppose Western imperialist plots." The communiqué had the slogans, "Imperialist forces out of Lebanon. Italy out of NATO. No to the Comiso missiles."

As *Il Manifesto* noted, "The reference to Libya is obvious." The same day that the Red Brigades put out their communiqué on Leamon Hunt, the Libyan press agency issued the final declaration of the Libyan Peoples' Councils affirming that "the Comiso missiles are a threat to the security and integrity of Libya. To hit and attack the American missiles in their positions will be considered a form of self-defense."

The Hunt assassination must therefore have been for the brainwashed Red Brigaders and their controllers the signal to activate international operations against all U.S. personnel, interests, and allies. According to informed U.S. sources, Hunt was playing a crucial role in the alliance to set up an anti-terrorist apparatus for the Mediterranean and Mideast.

The international connections of the re-emerging Red Brigades were confirmed by analysis of the material discovered in the hideout of two Brigaders arrested in Milan. Documents in Italian, English, French, German, and Spanish were found, which prove connections with Action Directe in France, the Red Army Fraction (Baader-Meinhof gang) in Germany, the Basque ETA, and other international terrorist formations.

### **Iranian Embassy to the Vatican: terrorist haven?**

The Islamic angle in this latest Red Brigades operation led Italian investigators to take a closer look at the role of the Iranian Embassy to the Vatican in Rome. Directed by Ambassador "Ayatollah" Shadi Koshrowshahin, the embassy plays a key coordinating role. With its 84 rooms and a park (adjacent to the Libyan Embassy in Italy), it is paradoxically far larger than the Iranian embassy to the Italian state, and during the past year and a half it has come to replace the Iranian consulate in Cologne as the center of European coordination. Every Sunday about 30 Pasdaran (Revolutionary Guards) arrive at Rome's Fiumicino airport from Teheran accompanied by a religious figure who flies back to Iran the following Sunday. The Pasdaran are trained in the embassy and subdivided into small three-to-four-person groups.

Ayatollah Koshrowshahin participated on Dec. 15, 16, and 17 in a Rome conference organized by the Italo-Arab Association on the question of the reconquest of Jerusalem. Among those invited to the conference was the "Italian" magazine *Jihad*, ("holy war" in Arabic) from Carmagnola, near Turin, whose editor, Giovanni Oggero, brags about his acquaintance with the Swiss Nazi banker François Genoud. Oggero is a former member of the MSI, the neo-fascist party of Italy. Oggero recently said that Genoud is a respected person, "highly recommended by our Swiss [Muslim] brethren." As *EIR* has exposed, Genoud sits on top of an international nerve center of Nazi-communist networks.

In fact, a frequent writer for *Jihad* is Claudio Mutti, who is still at liberty although he has been indicted for numerous fascist terrorist actions—which suggests high-level political

protection. Mutti is the principal translator of Khomeini's writings into Italian under the Arab pseudonym Umir Amin. Charged in several massacres including the "Italicus" train atrocity which killed a dozen passengers, Mutti was accused by Judge D'Ambrosio, one of Italy's leading magistrates, of being the head of a "Libyan-Italian Friendship Association" which "functions as a cover for terrorist acts."

The Italian press agency Adn Kronos in February published a study asserting that out of a total of about 20,000 Iranian exiles in Italy, at least 3,000-4,000 are pro-Khomeini—potential recruits for the Iranian terrorist training operation.

The Islamic community in Italy is getting more and more organized. They have a mosque in Catania, Sicily, and want to build others in Rome and Turin. In Turin, home of Oggero and Mutti's *Jihad* (and of the Fiat auto company, in which Libya has large investments), the "Islamic Community of Italy" has sprung up. The Islamic press is widely circulated. In addition to the CESI Islamic press agency in Rome, there are also the *Messaggero dell'Islam* in Milan, *Per un Mondo Nuovo* in Rome, *Jihad* in Turin, and the Arabic-French-English paper *Risalat al Jihad* in Rome. A few months back CESI transmitted the appeal of the Grand Mufti of Tashkent in the Soviet Union for the struggle in the West against American missiles and for "peace."

### **Sardinian separatist angle**

In the Sardinian capital of Cagliari, Judge Mario Marchetti and Prosecutor Walter Basilone are concluding their long preliminary investigation into the Sardinian separatists who tried to split Sardinia from Italy through a series of terrorist acts and armed revolts. This separatist plan, nurtured by the Soviet KGB since the 1960s, was financed by Qaddafi. The Cagliari magistracy has accused Mehmet Ageli Tabet, an agent of Libya, of financing and supporting the separatist plot led by Salvatore Meloni and Bainzu Piliu.

The meetings between separatists and Libyan emissaries took place in Catania and were mediated by the well-known Catania lawyer\* Michele Papa, who arranged Billy Carter's influence-peddling trip to Libya. It seems that Libyan Colonel Messaud, who trains foreign terrorists at the Sebha camp, participated in these meetings at least once. Today, with Sardinia assuming an ever more important role in NATO defense strategy, all the Sardinian grouplets have set aside separatist folklore and embraced anti-American "pacifism." Meloni and the other Cagliari figures under investigation have even founded a separatist party, the PARIS, which will run for regional Sardinian elections on June 27, and proposes to unify the various separatist groups from "Sardinya e Libertat" to the Sardinian Action Party, the Sardinian Independentist Front, and Proletarian Democracy. Separatism has found its armed branch in the MAS—Armed Sardinian Movement—and oriented its propaganda against American bases in Sardinia.

# Kissinger wrote the script for President Reagan's trip to China

by Linda de Hoyos

From the standpoint of United States national interests, the trip of President Ronald Reagan to China crystalized the takeover of U.S. foreign policy by Henry Kissinger and the disaster that implies.

Reagan's visit to Peking was an exercise in public relations for the audience back home, and otherwise a humiliation, as the President was treated to lectures from the Chinese leadership on how to conduct U.S. foreign policy. The only saving grace of the President's sojourn was the nuclear technology transfer deal signed between the two countries. But the very fact that the United States is willing to bend over backward to give China nuclear technology, while it systematically acts to sabotage the transfer of such technology to other underdeveloped countries, has astonished America's allies, especially in Asia itself.

## 'No strategic partnership'

The Chinese were not prepared to offer anything in return. To Reagan's offer of an alliance with the West against the Soviet Union, Chinese Premier Zhao Ziyang politely but firmly stated that there would be no strategic partnership between Washington and Peking. This had already been stated by Zhao during his January trip to the United States, but this time the Chinese left out all attacks on the Soviet Union as the chief aggressor in the world strategic game. In a reverse of stated policy, Zhao demanded that the United States cease its deployment of Pershing missiles in Western Europe, and, to keep the balance, asked the Soviet Union to stop its "countermeasures" to the Pershings. "If the two sides continue their deployment of these missiles there will inevitably be progressive escalation of the arms race in Europe which will aggravate international tensions," Zhao said. Zhao also scored the President for U.S.—that is, Henry Kissinger's—policy toward Central America. The United States is "aggravating" tensions there as well, he lectured. Zhao also criticized American policy toward the Middle East.

And although Chinese leaders have in the recent past reiterated their view that the Soviet Union constitutes the major threat, Reagan's attacks on Soviet aggression worldwide were censored from Peking broadcasts of the President's speeches, along with all of the President's references

to God, freedom, and free enterprise. To these affronts, the President could only kowtow: "I have a dream in my heart that we perhaps have started a friendship here between two great people—not an alliance. I admire the position of being non-aligned that you have. But being friends and neighbors [sic]."

## The Kissinger formula

Yet, for those who want to destroy the United States, President Ronald Reagan's China trip was, as Secretary of State George Shultz declared on television April 30, "worthwhile in almost every respect you can think of." This evaluation of the great success in Peking was the line coming from Henry Kissinger's associates in the Reagan administration, including National Security Adviser Robert MacFarlane.

The reason for this evaluation is not to be sought in the background briefings delivered prior to the trip by the State Department and senior administration officials. The real script for the President's trip to China was prepared and released to the public on Oct. 28, 1983, by Henry Kissinger in a speech before the Hong Kong Trade Fair Conference. In every point, the actual results of the Reagan trip conform to the stated policy desires of the former Secretary of State and Soviet agent of influence:

1) First, the Reagan trip to China is part of a general shift of attention toward the Pacific, and away from Europe. "The center of gravity of world affairs, is in my view, shifting from the Atlantic to the Pacific. . . . If one looks at the dynamic and growing areas of the world, one finds those in the societies that ring the Pacific."

2) The Reagan-Chinese talks were negotiations of a largely geopolitical nature among imperial powers. "The security and independence of China is of vital American interest. . . . What this reflects is a fundamental reality, and it is that the *balance of power* in the world would be as irrevocably overturned by an assault on China, as it would be by an assault on Europe."

3) This balance of power does *not* require a strategic partnership between the United States and China. "When we talk about equilibrium and the balance of power, it is quite

possible that two countries have, for limited objectives, parallel views and pursue parallel objectives without being in any sense in any alliance,” Kissinger said, speaking of China.

4) The development of Japan as a major strategic partner of the United States should be circumscribed. “I do not think it is wise for the United States to press Japan to build up its defense forces.” The only top administration official who currently objects to this policy is Defense Secretary Caspar Weinberger.

5) China should be the major operative in offsetting growing Soviet power in Indochina. “As far as the United States is concerned, there is no partisan dispute about the importance of the independence and the security of this area, and as far as the danger from Vietnam is concerned, one has the impression that China, without any consultation with us, has reached similar conclusions. So we have here an example of a balance of power operating that is not a formal feature of the scene, but an important aspect of the picture.”

6) And lastly, the United States will abandon its allies in ASEAN (Thailand, Malaysia, Singapore, the Philippines, and Indonesia) to the hegemony of China and the Soviet Union. “Southeast Asia has, as far as the United States is concerned, governments that are neither allies nor are they—considered strictly—countries with which we have a very friendly relationship.”

These are the outlines of the policy toward Asia that the Reagan administration has adopted *in practice*, and which were in place before the President’s trip to China. The negotiations between the Kissinger forces and the Chinese on these points had already occurred during a private trip to Peking in late February by former Trilateral Commission executive director and Carter administration National Security Adviser, Zbigniew Brzezinski. Brzezinski’s trip certainly did not have the high-publicity profile of the Reagan trip, but was undoubtedly when the substance of the U.S.-China relationship was hammered out. For several days, Brzezinski held seminars with the top echelons of the Chinese leadership, under the auspices of Georgetown University’s Center for Strategic and International Studies (to which Kissinger is also attached).

In short, there is no content to the shift to the Pacific—with the possible exception of taking the opportunities for looting offered by the relatively high economic growth rates of the Asian economies. Militarily and politically, the shift toward the Pacific is no more than a cover for the shift away from Western Europe—the policy of decoupling stated openly by Henry Kissinger in his March 5 *Time* magazine article. But, as former French Prime Minister Raymond Barre noted recently, “Without Western Europe, the United States ceases to be a superpower”—in Europe or Asia.

### What is the ‘China Card’?

The objective of Kissinger’s China Card policy—as in the early 1970s—is not really to create an alliance against the Soviet Union, but to provide the cover for the strategic with-

drawal of American ground forces and influence from the Pacific basin overall. That policy is also the policy of the Reagan administration *in practice*. A major signal to this effect was the cancellation of President Reagan’s trip to Thailand, the Philippines, and Indonesia in November.

In the Philippines, as *EIR* documented in its April 3 cover story, the U.S. State Department is openly promoting groups opposed to President Ferdinand Marcos, which have stated that one of their primary goals is to force the withdrawal of the U.S. bases from the islands. The United States is already reportedly investigating the possibility of moving the bases to Indonesia—which is unlikely—or to the nearby island of Palau.

In Southeast Asia, the Reagan administration told visiting Thai Prime Minister Prem Tinsulanond on April 13 that the United States would leave it up to China and Thailand to deal with Vietnam’s attacks on the Khmer rebels in Cambodia and the Vietnamese incursions into Thailand. “We don’t want to get involved,” one U.S. official reportedly stated. Furthermore, while the Reagan administration says it will accede to the Thai request for the purchase of F-16s, if the Thais refuse to buy other less-advanced jet fighters, administration officials admit that the request will not be met without some delay. The Reagan administration further gave a green light to China for its attacks on Vietnam. According to one report, Prem and the President agreed that the Chinese attacks on Vietnam’s northern border were “helpful” in placing pressure on Hanoi.

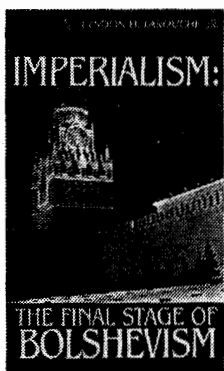
The State Department further put its imprimatur on the enhanced role given to China in the region through statements delivered by Assistant Secretary of State Paul Wolfowitz in Indonesia May 4. China’s growing economic and political ties to the West are having a “very constructive influence” in Asia, Wolfowitz said. This is the kind of statement that can only propel Jakarta toward the Soviet Union, which has already given Indonesia the assurance that it is not on its list of nuclear targets, in contrast to Japan, South Korea, or the Philippines.

### Withdrawal from Europe

With the United States ceding the area to Soviet military power and Chinese political and economic influence, what then is the content of the much-touted turn toward the Pacific by the Reagan administration?

The answer to that question was given by Zbigniew Brzezinski in a stopover Feb. 27 in Manila after his visit to Peking. The basic orientation of American policy is now “dramatically shifting” toward the Pacific basin, Brzezinski said. “Increasingly the American view is that Europe is beginning to stagnate and is becoming obsolescent, and this is having a negative political, international effect, and the Europeans are becoming less confident, less dynamic.” This shift from Europe, he said, could be gleaned by looking at the activities of American banks and companies. “We are living at a time of genuinely historical transformation.”

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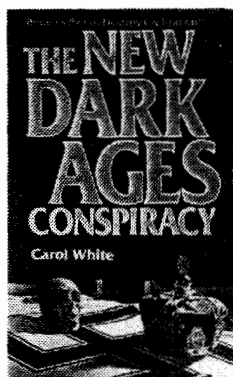
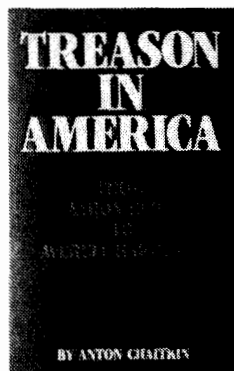
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# New fencing at the Indian border with Bangladesh

by Susan Maitra in New Delhi

Two shooting incidents across the border between the Indian Border Security Force (BSF) and Bangladesh Rifles have received the attention of the international press recently. Although the incidents were minor in nature and both governments have so far shown restraint, influential groups in both nations are using the incidents to fuel tension in the subcontinent.

The shootings on April 21 and 24 occurred as Indian workers were putting up a barbed-wire fence along the Indian-Bangladesh border, inside Indian territory, to prevent uncontrolled migration across the border. Some of the Bangladeshi citizens living along the border swarmed in and got involved in a shoving match with the workers. As tempers began to fray, the border forces watching the development exchanged shots.

## The fence plan

The Indian plan to go ahead with a fence physically separating Bangladesh from India was announced by Indian Prime Minister Indira Gandhi last year. India's stand has been that the fence has nothing to do with defense but is only a measure to eliminate, or at least minimize, the illegal influx of Bangladeshis into India, and also to curb various forms of racketeering across the border.

The Bangladeshis insist that there is no need for a fence. The government's official claim is that there has been no Bangladeshi influx into India since the country earned independence in 1971. Under the circumstances, according to Bangladesh President Ershad, erecting the fence is a deliberate attempt to belittle Bangladesh and its people before the entire world.

Although the effectiveness of putting a barbed-wire fence along a border—part of which lies in the midstream of shifting river beds—is certainly open to question, there is no doubt that a large number of Bangladeshis have in fact crossed into the neighboring Indian states during the last decade. The

problem is a real one. The local people in Assam, one of the Indian states bordering Bangladesh, have been complaining for years and recently made it an issue, putting pressure on New Delhi. The Indian motivation to put up the fence, according to some, stems from the need to appease the dissident Assamese. Assam has long been a troubled state, where Mao-style guerrillas and foreign-inspired secessionists are involved in many anti-national activities.

"Project Fencing," as some call it, has many critics inside India. Some point out that the fence will constantly require patching and rebuilding, that it will in fact put a new premium on trafficking across the border, and will not, after all, stop the flow of immigrants. In the long run, a bigger crisis will be precipitated.

The real problem in the area is that both Assam and Bangladesh need concentrated investments in economic development in order to support the population of the region.

## Regional power politics

The fencing issue has become one more pretext for lobbies on both sides of the border to excite suspicions and hostility in the region. In India, some see in Bangladesh a security threat to the Indian Union, apparently for the reason that Bangladesh President Ershad has developed friendly relations with both China and the United States to receive aid which, if forthcoming, would help to stabilize his regime. This group has gone to the extent of accusing Ershad of "promising" a naval base to Washington, and has beat the drums of this non-issue since Ershad's visit to the United States.

In addition, certain "defense experts" here, according to a Press Trust of India report, believe that Bangladesh is becoming a naval force to contend with in the region.

The report that China has provided Bangladesh with six "Romeo" class submarines has apparently prompted this conclusion. According to these experts, this is a very significant addition to Bangladesh's navy, which also possesses nine "Fast-attack craft." It is not clear that the so-called fast-attack craft are anything more than vehicles to chase smugglers and poachers, but it is difficult in any case to see how the Bangladesh navy could compare to the massive U.S.A. and Soviet fleets prowling the oceans around India.

On the other side of the border, right-wing Muslim fanatics within Bangladesh are also busy trying to cash in on the border conflict. The Islamic fundamentalist faction—two of whose top leaders were relieved of their posts by President Ershad a year ago—is quite willing to precipitate a crisis for its own gain. The anti-India litany has been unleashed from this quarter, and a number of chanting demonstrations were organized in Dhaka.

At this writing, the Indian and Bangladesh governments are in consultation on the matter, and regular contacts have been established between the two countries' border security forces to prevent a recurrence of the shooting incident.

## Intelligence war rages in Israel

*Finally, a crackdown has been mounted against the Israeli terrorist underground—which intersects Sharon's machine.*

The first shots have been fired in the battle leading up to crucial national elections this July.

On April 27, the Shamir government, reversing the prevailing policy of the past seven years of Israeli Likud Party governments, announced that it had cracked a Jewish-Zionist terrorist band that had been on the verge of exploding bombs on six Jerusalem buses and killing upwards of 300 people.

Several Israeli newspapers and *EIR* contacts in Jerusalem and Tel Aviv asserted that the government had acted under strong pressure from a faction of the Israeli intelligence establishment fearful that the "Jewish terrorist underground" was getting out of control. For the first time in years, the government has adopted an active policy of sending undercover security professionals into suspected terrorist groups to preempt planned atrocities against Arab and Jewish individuals alike.

Israeli Interior Minister Yosef Burg announced after the April 27 government action that the hard core of the 35 arrested individuals were former army men, well trained in demolition and explosives.

At least three known terrorist organizations were caught in the police action: the Gush Emunim, the fanatics who insist on annexing the occupied West Bank for mystical, fundamentalist reasons; the Kach group, the legions under the control of madman Rabbi Meir Kahane of the U.S.-based Jewish Defense League; and the "Lif-ta" gang, one of several groups that have sprouted up recently in Israel ad-

vocating blowing up the Dome on the Rock and al-Aksa mosque, Muslim holy shrines on the Temple Mount in Jerusalem, so that these fanatics can "rebuild Solomon's Temple" on that spot.

The crackdown set in motion significant ripples throughout Israel, since the captured gangsters are all part of the political machine standing behind former defense minister Ariel Sharon, now vying for the Herut-Likud Party nomination for prime minister.

Sharon has been a board member of an American-based organization known in past years under the Orwellian acronym PEACE, which is a funding conduit for Gush Emunim's subversive activities.

Sharon is currently working intimately with another former defense minister, Ezer Weizman. Both Sharon and Weizman's Yahad Party received substantial financial backing from U.S.-based pornography-and-gambling mobster Meshulam Riklis in efforts to bring down Shamir.

The two men, along with cult archaeologist Yigal Yadin and Minister of Science and Technology Yuval Neeman, are the center of the British Freemasonic faction in Israel, aiming to make a cold coup on behalf of British and British-allied Soviet interests in the period leading up to the elections. Their aim would be to increase the fundamentalist cultism in Israeli society, and to establish geopolitical deals with the U.S.S.R. against the United States.

On April 13, Weizman called for Israel to establish close contacts with the U.S.S.R. and other East bloc

countries, nominally to trade off increased Soviet influence in the Middle East for an agreement to allow more Jews out of the U.S.S.R.

In this context, it is most interesting that two Israeli sources told *EIR* during the first days of May that it "was not to be excluded" that Kahane's Kach madmen are receiving covert funding from the KGB. Soviet links into the Kahane group may be mediated through growing connections in New York between the Soviet émigré Odessa-origin mafia and the Israeli émigré mafia.

The more the Sharon-Weizman coalition would be hurt, the more chance for strengthening the forces around Shamir and opposition Labour Party leader Shimon Peres who are concerned with distancing Israel from fundamentalist lunacy.

Hence, on May 2, the pagan alliance of the KGB and the Assad regime in Syria struck, to give Sharon a boost. The Syrians abducted three Israeli diplomats from a village north of Beirut and held them captive inside Syria.

Given that this happened barely a month after Syrian-backed terrorists had committed a major atrocity inside Israeli territory, the May 2 action sent shocks throughout Jerusalem and Tel Aviv. The *Jerusalem Post* and other Israeli papers began to speculate on the unthinkable: an Israeli retaliation directly into Syrian territory, and/or what the *Post* warned could be a "war by miscalculation" between Israel and Syria.

Whatever the outcome of this increasingly perilous situation, the May 2 event is in accordance with warnings by Mideast intelligence sources in discussions with *EIR* that Sharon would be planning a "June surprise" to strengthen his bid for state power. It may be the case that the surprise came one month earlier than anticipated.

## Attempt against the President

*Radicals linked to the Communist Liga 23 de Septiembre tried to kill de la Madrid.*

One week before the Mexican president was scheduled to visit the United States as a Latin American spokesman, and just two days after the assassination of Colombian Justice Minister Rodrigo Lara Bonilla, Mexican President Miguel de la Madrid and his cabinet suffered an assassination attempt by the same Kissingerites who are trying to destroy any attempt at Latin American integration, as well as any attempt at controlling the international drug traffic.

At the May 1 Labor Day Parade in Mexico City, 2 million members of the major labor unions within the Congress of Workers (the union umbrella organization) marched to demonstrate their opposition to IMF genocide conditionalities for Mexico and to reaffirm their alliance with the government. When a dissident group of the Nuclear Workers' and Teachers' independent unions entered the parade, they were followed by Workers Revolutionary Party leader Rosario Ibarra de Piedra, and a contingent from the "Popular High School" of Tacuba (a "free" school for ultra-leftists created after the 1968 student movement).

When the group of students arrived in front of the National Palace, where the President and his cabinet together with major labor leaders were reviewing the parade, the students stopped and blocked the march. Suddenly two explosions were heard, one just beneath the presidential balcony and another 25 meters away; the second explosion injured the head of the federal workers health institution, ISSTE. While flames burned out of

control at the main door of the Palace, a member of the Presidential Guard was assaulted by another group of left terrorists.

Representatives of the Workers Congress, headed by Fidel Velásquez, met with Interior Minister Manuel Bartlet shortly thereafter to demand a full investigation of the attack and stated that the workers movement will aid the government in cleaning out infiltrators. "We will not march with outsiders to the workers' movement," said Velásquez.

In response, President de la Madrid stated the day afterward in a speech to the mining union, "I should comment—because it happened and because it is a reality which we face—that in this parade, minuscule groups of agitators . . . were directed by agitational maneuvers in which we recognize foreign intervention. . . . We are not prepared to let minority groups introduce violence into the life of Mexico. . . . Mexico is a mature country. . . . We know how to identify the enemies of the republic in time . . . to preserve the nation, to preserve sovereignty. . . . We see that brother nations have become the setting for international conflicts, and that those who are plotting war in these countries, do not hesitate to destroy nations. No one will destroy Mexico! I'm sure of that because we have history, because we have national strength and institutions like the trade unions that support our government."

The hand of the Kissinger-KGB-Jesuit terror crowd is clear. Reliable sources have reported to *EIR* that the

group Los Anarcos (The Anarchists), located in the Popular High School, was responsible for the assassination attempt. This group was formed by members of the Liga Comunista 23 de Septiembre, a terrorist organization that was very active during the Luis Echeverría period, almost destroyed under former President José López Portillo, but which is now regrouping for a new terrorist wave. Los Anarcos is also linked to the terrorist network around the magazine *El Otro Porqué* (*The Other Why*, published in San Antonio, Texas), whose distribution is prohibited by the Mexican government. The head of this publication is Isafas Rojas, a member of the Mexican Commission for the Movimiento de Liberación Nacional (MLN), whose U.S. counterpart is the Armed Forces of Puerto Rican Liberation (FALN).

The terrorist head of the FALN, Willy Morales, was finally jailed in Mexico after seven years of failure by the FBI to apprehend him in the United States. Morales was introduced and protected in various Mexican cities by the Rojas-Popular School network, until the Mexican police discovered him in a terrorist safehouse in Puebla, where he was planning an attempt against the U.S.-Mexico parliamentary meeting to take place in that city last year.

The Anarcos organization is also part of the Workers Revolutionary Party through the Front for the Defense of Political Missing Persons led by Rosario Ibarra de Piedra, former presidential candidate of the Workers Revolutionary Party. Mrs. Ibarra just concluded a two-week visit to five U.S. cities, invited by her organization's U.S. counterpart, the Socialist Workers Party (SWP). Mexican and U.S. authorities are reported to be currently engaged in an investigation of that tour.

## What Andreotti did in Moscow

*"We can turn you to ashes," says Gromyko, and the Italian foreign minister has no response but to appease.*

**R**emember Pompeii, reduced to ashes by a volcano! How many Vesuvii are contained in a thermonuclear bomb?" This statement was addressed to Giulio Andreotti in Moscow on April 23 by his Soviet colleague Andrei Gromyko during a toast in honor of the Italian foreign minister, the first high-level representative of a NATO country to visit Moscow after the installation of the Euromissiles. Pompeii is the town near Naples that was destroyed by a volcanic eruption of Mt. Vesuvius in 79 A.D., a tragedy traditionally cited to epitomize the fall of the Roman Empire.

Gromyko's intent in making such an unprecedented public threat was clear: to brutally intimidate the forces Andreotti represents, i.e., the Italian "black" (pre-19th century) nobility and its assets within the Vatican leadership. It did not cross Andreotti's mind to respond to the Soviets' threats, pressures, and blackmail in any way but to appease, appease, and again appease. He went so far as to agree to sign a joint document with the Soviet leaders denouncing beam weapons: "The two sides," read the document, "agree on the necessity that the disarmament conference faces, the concrete analysis of the prevention of an arms race in outer space."

The foreign minister is uttering the first lines of a script outlined a long time ago by the top-level European oligarchic strategists, and polished up in detail by Henry Kissinger and his business partner, incoming NATO Secretary-General Lord Carrington.

Andreotti will be followed to Moscow by West German Foreign Minister Hans-Dietrich Genscher and his British counterpart, Geoffrey Howe. Andreotti himself, as some observers noted privately, is dominated by the idea of becoming a sort of Italian savior with Moscow's support. His immediate aim is to obtain the Italian presidency next year. He already has the support of the Italian Communist Party (PCI) and a large part of his own party, the Christian Democracy, which is in a coalition government with the Socialists and other small parties.

Andreotti was treated by the Soviet leaders not as a foreign minister, but as a head of state, the Italian press underlined. Gromyko came to the airport to welcome him; the talks took place in the famous "Catherine the Great" room, the first time this has happened to a foreign minister. Above all, Andreotti was able to meet at length with Konstantin Chernenko, who, as Andreotti reported to the journalists, formulated "new ideas" for restarting the peace talks. This mystical phrase now dominates foreign-policy debate in Italy, and elsewhere. The U.S. State Department issued a statement underlining its interest in the "new ideas," and suggesting that these can be discussed in Geneva.

The question around which the whole visit centered was of course European "decoupling" from the United States. "What concretely do the Soviets want from the Europeans?" Andreotti was asked on his return from Moscow. "The Soviet Union," he re-

plied, "would like to have a European interlocutor with a certain independent capability of judgment" vis-à-vis the United States. But the problem is in Washington: "I do not think that the Americans could lightly consider the issue of an independent defense of Europe." In all the talks Gromyko stressed that the "poor Europeans" are the victims.

*La Stampa*, the daily of Trilateralite Gianni Agnelli, wrote: "It seems that the Soviet foreign minister wanted to save the Europeans from their own mistakes, inviting them to react to the overbearing actions imposed on them by the big boss of the alliance."

To put the pro-Soviet shift on a solid basis, Andreotti arranged to link Italy's economy very tightly to Moscow. He signed \$3 billion worth of economic deals with the U.S.S.R., including several medium-term cooperation accords (until 1994), which make Italian industry more and more strategically dependent on Soviet raw materials. Economic relations with Moscow had been frozen, officially at least, after the Euromissiles decision. Now the question of Italian involvement in building the Siberian pipeline is completely unblocked.

Protests erupted inside the government. The vice-secretary of the Social Democratic party, Ruggero Puletti, stated: "It is time to say with the utmost clarity and firmness that the foreign policy of Andreotti does not correspond to the foreign policy of the government. I hope Andreotti was in Moscow only as a journalist." Immediately, not only the opposition PCI but the entire leadership of the Christian Democracy threw themselves into a defense of Andreotti and his policy. Prime Minister Bettino Craxi not only refused to differentiate his position from that of Andreotti, but announced that he has accepted an invitation to visit East Berlin.

## Report from Bonn by Rainer Apel

### Still in the West?

*West German politicians yelp that they will no longer serve as "vassals of the United States."*

Ever since President Reagan made up his mind to go for electioneering rather than policy-making, the Kissingerites have moved into the vacuum.

Thus West German Foreign Minister Hans-Dietrich Genscher saw a chance to appear on German TV immediately after U.S. Gen. James Abrahamson, the head of the Strategic Defense Initiative, was interviewed on the American beam-weapons program. Genscher announced that he wanted to intervene in the research phase of these systems: "This will be a subject of discussion with the U.S. government and, of course, also in the [NATO] foreign ministers' council, which will meet this spring in Washington."

Genscher has moved far beyond obstructionism against the U.S. beam-defense program; there is evidence that he has already defected to "the other side." Genscher's travel plans for May included visits to Libya's Qaddafi was listed on May 1, to Teheran for meetings with members of the Khomeini regime, and to Moscow for a visit with Soviet Foreign Minister Andrei Gromyko.

It was only because of the shooting at the Libyan embassy in London and the break of diplomatic relations between Britain and Libya that he called off his trip to Tripoli—for the time being. As foreign ministry spokesmen commented, the Libya trip is still on the agenda, but "had to be postponed." The trips to Teheran and Moscow are still on schedule.

Meanwhile, Hans Friderichs, the

director of the Dresdner Bank and a prominent member of Genscher's Free Democratic Party (FDP), led a delegation of ranking West German bankers to Tashkent. They met with Soviet officials to discuss "the idea that the unreliable U.S. dollar could be replaced by the European Currency Unit as a reserve currency in East-West trade." And back home, other FDPers called for the creation of a special "Central European Bank" for the financing and accounting of trade between East and West Germany.

On April 3-4, the German Social Democrats (SPD) met with a delegation of the French Socialists in Luxembourg to discuss how to decouple from the U.S. dollar. The plan presented to this private gathering by France's finance minister, Socialist Jacques Delors, called for the replacement of the dollar as a universal reserve currency in Europe by the ECU, the European Currency Unit. The main speaker for the SPD at the meeting, Bonn parliamentarian Peter Mitzscherling, added that the realization of this plan was necessary to stop Europe from "being a mere vassal of U.S. economic and monetary policies."

While these developments document that the ongoing strategic decoupling from the U.S.A. is now being accompanied by a rapid decoupling in the economic-monetary sphere, more ample proof for this conspiracy was provided by Kissinger's allies on the left side of West Germany's policy spectrum. The Social Democrats are leaping toward the East: Horst Ehmke,

author of the decoupling document titled "The Self-Assertion of Europe" (see *EIR*, May 1), gave an interview to the daily of the Italian Communist Party (PCI), *L'Unità*, in which he praised the PCI as "the only party in Europe really on the left" and announced closer collaboration with them in ending the "present state of Europe as a vassal of the U.S.A." Before giving that interview, Ehmke—who had up to now preserved a pro-Atlanticist façade—had met with the head of the Italian PCI-controlled labor union, Luciano Lama of the CGIL.

Back home in Germany, Egon Bahr, Kissinger's collaborator since the late 1950s, commissioned his own SPD branch in the north of Germany to start an official exchange and dialogue with the "neighboring sections of the [East German] Socialist Unity Party [SED] on nuclear disarmament questions."

This party section is located in Schleswig-Holstein, the main military target for a Warsaw Pact surprise attack or surgical strike; in a meeting in early May the SPD and the SED "reached agreements on most of the key questions of international disarmament." The withdrawal of the U.S. nuclear missiles from Europe was demanded as a precondition for a Soviet commitment to resume talks with the U.S.A., and the creation of a "nuclear-free zone in Middle Europe" was called for as well. The "nuclear-free zone" idea was originally worked out by the Norwegian socialist Arne Treholt, now detained for being a colonel in the Soviet KGB.

If things continue at this pace, Americans should have doubts whether the leading politicians of West Germany are still in the Atlantic Alliance. Does the United States have to invade Normandy again, exactly 40 years after the June 6 invasion which saved Europe for the West?

### Knives out against Creusot-Loire

*Infights and economic incompetence are wrecking one of the most technologically advanced industrial firms.*

**T**he reason why one of the world's leading high-technology heavy-industry companies, Creusot-Loire, filed with a court last month to seek protection from its creditors has more to do with warfare among political and business mafias than with industry. But the effect might well turn out to be the ruin of one of France's best industrial corporations, the one which has been chiefly responsible for the country's highly successful nuclear equipment program, through its subsidiary Framatome.

A few years ago, Creusot-Loire had 40,000 employees, and was engaged in a diversified spectrum of high-technology mechanical engineering: nuclear reactors, fast-breeder technology, high-speed trains, metro equipment, gas compressors, oil-research equipment, hydraulics/hydroelectrical technology, and specialized military equipment, as well as specialty steel and traditional steelmaking. The massive slowdown of the French nuclear program decreed by the Socialist government, the slump in steel demand, and the world economic depression caused losses to soar. When Creusot-Loire's parent holding corporation Empain-Schneider was nationalized in 1981, the company remained without any lead shareholder—other owners being the Paribas investment bank and the AGF insurance group, both nationalized as well.

By November 1983, tough negotiations took place between the Creusot-Loire (CL) board, the government, and the nationalized banks which are the main creditors: 3 billion

francs in losses had reduced the balance sheet to a situation of net negative worth, with the shareholders' capital and reserves totally eaten up. A 5.5-billion franc injection was allocated, not enough either to keep CL afloat or to allow it an efficient reorganization. The price to pay was the sale of 20% of Framatome to the Atomic Energy Commission and the sale of specialty-steel subsidiaries worth 1.25 billion francs at the price of one franc. Remarkably, these subsidiaries had been the only French steelmakers not to receive any government subsidy.

Four thousand jobs were lost in 1983, and another 6,000 will be shed this year. The consultant hired to come up with a restructuring plan proposed to shrink operations to 10,000-13,000 employees. Losses in 1984 are expected to top 700 million francs, while 400 million francs has had to be set aside against losses made by CL's troubled U.S. subsidiary, Phoenix Steel. In this context, a test of wills developed between CL's board and the government and bank creditors, the former demanding a further cash injection to consolidate the situation, the latter refusing—and broadly hinting that they preferred a bankruptcy reorganization followed by a drastic shrinkage program.

CL now has three months to devise a reorganization plan, including proposals for repaying all creditors within three years, to be developed under the eye of a court-appointed curator. But indications emerge that this is not simply a depression-time story of indus-

trial troubles. CL and Empain-Schneider have a long history of politically motivated hanky-panky. In the 1960s, Belgium's Baron Empain took over Schneider against the will of the French government, triggering a political row; in 1969, the company was nonetheless chosen to be the chief industrial operator of the nuclear program against fierce competition from other groups, which also developed into a major flap. Later, Baron Empain was kidnapped and savagely treated, never to regain control of the company's operations, a mystery the police never solved; in 1981, the parent holding company was nationalized and a purge undertaken.

An unnecessary bankruptcy might ruin CL. It will certainly accelerate dismantlement of some of its technological capability. A significant redistribution of industrial power is to be expected; the business and political mafias in the senior levels of the civil service, of the banks, and of industry are clearly sacrificing the industrial tool to political designs and power schemes. Thus goes industrial life in Socialist France.

A massive wave of industrial asset-stripping is to be expected, owing to France's deepening indebtedness, which had *Fortune* magazine rail that it was "starting to look like a Third World debtor." To extricate themselves from the hideous financial mess their own policies have exacerbated, the Socialists can be expected to plunge headlong into an orgy of improvised and incompetent measures based on the principle, "Take money where it can be grabbed." Assets accumulated in the high-technology sector of the economy, particularly in the huge nationalized sector, are a prime choice for this kind of squandering. To pay interest, the Socialist government will sell the capital at bargain-basement prices.

## KGB-inspired purges

*Papandreou hits law-enforcement agencies, preparing for an early revival of civil war.*

On May 6, pompous ceremonies were held in Athens and all provincial capitals, in which some 10 million dossiers of the Greek Central Intelligence Service (KYP) were ostentatiously burned before a cheering public. The dossiers contained national-security-grade information accumulated over the past 40 years, since the Greek Civil War.

Prime Minister Andreas Papandreou proclaimed that the final elimination of all file information on subversive elements now inaugurates a new era of democratic freedoms in his country. He neglected to say that before the burnings, all standard, non-security-related data in the KYP files which might be used for plain political blackmail were copied and preserved for the personal use of the prime minister, who is, as of last February, also the chief of the KYP.

Nor did Mr. Papandreou mention that under his personal supervision, a brand-new computerized filing system was set up at KYP headquarters, this time designed to accumulate data against conservative, moderate, and other opponents of his regime.

What has in effect occurred is that, at a single stroke, in April and early May, every last trace of KGB and KGB-controlled assets and operations in Greece and the Balkans was erased from the institutional memory of the Greek state's intelligence and national security organization, and replaced by an intelligence filing system designed to track the enemies of the Soviet KGB in the area.

The spectacular dossier-burning ceremonies were preceded by a series of incendiary actions by Papandreou and his ministers, meant to fan the flames of a renewed civil war. These measures included a massive purge in the officer corps of the National Gendarmerie and other law-enforcement agencies. The trigger was an April 7 incident which had been designed as a pre-election political provocation by Andreas Papandreou's Marxist Minister of Public Order, G. Skoularikis.

On April 7, the sleepy provincial town of Agrinion in western Greece was stirred to animation, when the head of the conservative opposition New Democracy Party, Evangelos Averoff-Tositsas, held a rally in its main square. An enthusiastic crowd of over 20,000 gathered to hear Papandreou's main national opponent. In his speech, Averoff made a special appeal to the Socialist prime minister to help preserve a climate of political tranquility in the period before the June 17 European Parliament elections.

At the end of Mr. Averoff's rally and after the crowds dispersed, 800 thugs armed with clubs, spiked steel belts, and screwdrivers, launched into a rampage of violence, attacking cars, burning posters, and damaging property. Mr. Averoff protested the violence and asked for the assistance of Mr. Papandreou's government. The Papandreou government denied that any violence had taken place and characterized the thugs as "peaceful citizens" expressing their sentiments

about Mr. Averoff's speech.

The following morning, however, the chief law-enforcement officer in that region, Brigadier Gen. M. Niros, commandant of the gendarmerie for western Greece, sent a confidential report to the Minister of Public Order identifying the 800 violent thugs as organized teams of the Communist Party (KKE) and of Papandreou's own party, the PASOK. Minister of Public Order G. Skoularikis moved to suppress the brigadier general's report. The parliament in Athens somehow obtained a copy and had it published in the daily press. In retaliation, the Minister of Public Order removed the gendarmerie commandant from his post, and put out a public communiqué accusing the New Democracy Party of harboring "right-wing fascist" elements which pose the threat of dictatorship.

Large-scale sacking and transfers of law-enforcement personnel ensued throughout western and northern Greece. These purges are reportedly continuing after the May 6 "burning of the dossiers." Papandreou and his ministers are de-fanging Greece's law-enforcement agencies to prepare for a revival of civil war in coordination with the Soviet KGB and its special spetsnaz deployments into Greece.

On April 17, Prime Minister Papandreou had a lengthy meeting with the head of the KKE, Charilaos Florakis, a civil-war butcher who spent 25 years of exile in the East bloc, to coordinate the two parties' "strategy of tension." This meeting signaled Papandreou's final rejection of President Caramanlis' agonized pleas for a climate of "tranquility" for the coming election period. Within a week, Florakis was on an Aeroflot plane to Moscow for consultations with the Soviet KGB. As of last report he had not returned to Athens.

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# International Intelligence

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## **Communist Party rewriting its bible**

Party chief Konstantin Chernenko convened a meeting April 25 of the Central Committee Commission which is working on a new Soviet party program. The program is supposed to be the bible for Communist Party members; it was last revised under Khrushchev

Khrushchev had promised in 1961 that the Soviet Union would overtake the United States within 10 years and become a "society of plenty." In the interim it has become a society of plenty of missiles, and the new program will reflect the reality of years of scarcity ahead.

Chernenko made clear that Soviet policy does not rule out war to achieve its ends, and that foreign policy depends on failures and successes at home, mainly in the economy: "The basic part of the programmatic text must be devoted to questions of the internal development of the country. Ultimately, our foreign-policy successes, in the struggle for peace, depend on their solution."

Breaking format, there is no phrase in his text to the effect that "a new world war can be avoided."

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## **U.S. ambassador praises Bolivian war on drugs**

In the middle of the worst Bolivian military-civilian conflict in recent times, Edwin Corr, U.S. ambassador to Bolivia, praised President Hernán Siles Zuazo's war against cocaine smugglers and backed up his government against corrupt elements of the armed forces.

After meeting with President Siles Zuazo April 27, Corr said at a news conference: "Our position is clear. . . . We are supporting democracy. . . . When there was a dictatorship, we suspended our aid programs. . . . When democracy returned [to Bolivia], we greatly increased our aid."

A shipment of French-made subma-

chine guns, ammunition, and radio equipment that the interior ministry had imported from France to arm anti-narcotics police was intercepted by the Air Force commander, the head of the joint chiefs of staff, and the Armed Forces commander in late April, in an overt signal of defiance against the civilian president.

The U.S. ambassador said at his press conference that the Bolivian government needed the French arms to help its security forces regain control of the Chapare region in central Bolivia, where the Bolivian government says an army of 5,000 to 6,000 armed bandits are employed by cocaine producers to protect them from police.

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## **Zia: 'trust the Soviets to leave Afghanistan'**

The Soviet Union should be taken at its word for its offers to withdraw its troops from Afghanistan, and negotiations should begin, Pakistan dictator Zia ul-Haq declared in an interview with the French daily *Le Figaro*.

Zia's statement came in the midst of a Soviet scorched-earth offensive in Afghanistan against rebel forces in the Peshawar valley. U.S. Defense Secretary Weinberger likened the saturation bombing the Soviets carried out there earlier in April to the type of bombing that was used by the United States in Vietnam. Following that, 15,000 Soviet troops, equipped with between four and six hundred tanks, moved into the former guerrilla stronghold.

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## **Indian charges Russia with fomenting war**

Mr. Tyabje, a former Indian ambassador, writing in the Indian journal *The Statesman*, has charged that the Soviet Union is trying to manipulate India into attacking Pakistan. If the Soviets attack Pakistan themselves, he noted, it will not work. Therefore, they want India to do it for them.

Relations on the subcontinent have been exacerbated by the Soviet invasion of Afghanistan, sowing distrust among all the countries of the region. Those who are identified as the "Soviet lobby" in India, he indicated, are actively creating tensions between India and its neighbors, Bangladesh, Pakistan, and Sri Lanka.

These views are held by many in India, but their appearance in print is unusual.

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## **Egypt threatens break with U.S. on Jerusalem**

Egyptian President Hosni Mubarak and his foreign minister, Hassan Ali, issued warnings to Washington in early May not to cave in to congressional pressure to move the U.S. embassy from Tel Aviv to Jerusalem. Such a move would amount to U.S. recognition of the Islamic holy city as Israel's official capital.

Speaking at May Day celebrations, Mubarak said Egypt would break ties with any country that moved its embassy to Jerusalem and that this applied "to all countries without exception."

Mubarak stated that such a rupture in relations was "meant to safeguard the provisions of international law and preserve the legal and historic rights of more than 100 million Arabs, 800 million Moslems, and 1,000 million Christians."

Sen. Patrick Moynihan is stoking the flames by leading a bid in Congress approving Jerusalem as Israel's capital, a policy which the State Department says now has at least half the Congress's support.

The White House has vowed that it will veto any legislation to this end. Everyone knows that Moynihan and friends are out to make this a campaign issue.

In late April, Egypt broke relations with El Salvador, which had just announced it will move its embassy to Jerusalem, and with Costa Rica, which made the move earlier. The 17-member Jerusalem Committee of the 42-nation Islamic Conference held consultations over the El Salvador move, calling it a U.S.-Zionist plot and urging all



member states to follow Egypt's lead.

The Soviets are exploiting the issue to strengthen their grip over the Mideast. At the end of April, Mubarak's government completed talks with a high-ranking Soviet foreign ministry official aimed at re-establishing Soviet-Egyptian ties.

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### **West German military faction slams Genscher**

*IAP Dienst*, a defense and security newsletter linked to a traditionalist faction of the West German military and military intelligence, has taken up the fight against Henry Kissinger's closest collaborator in the West German government, Foreign Minister Hans-Dietrich Genscher. *IAP Dienst* accuses Genscher of being responsible for the Bonn government's official rejection of the beam weapons strategy for defending both the U.S. and Western Europe.

In its May issue, *IAP Dienst* says that "the rejection [of beam weapons] comes from Genscher's foreign ministry . . . but what is totally incomprehensible about this reaction is the fear of superiority. The people who say that it is ethically and politically illegitimate to threaten nuclear destruction as a means of securing the peace are precisely the people who must advocate the broadest replacement of this strategy with a comprehensive system of defense.

"This holds all the more since there is no longer any doubt that Western Europe can be included in the protection of such a system. It is therefore absurd to talk about a 'decoupling' of Western Europe. Just the opposite is the case. If the West Europeans reject this system, their scientific and technological decoupling is a certainty."

"Western Europe," argues *IAP Dienst*, "must not only be included in the protection of this system" [the plans of the Americans to install a comprehensive defense system against intercontinental and continental defense systems], "but must also be involved in the research and development of such a system. The European component should therefore be developed under European

guidance, and when installed, under European responsibility. Since this system must be seen as a whole, it would also be a decisive contribution to reducing the American-West European disparities in the Western Alliance that are complained about so often."

Observers say that Zia may have been urged to push for "negotiations" with the Soviets by oil magnate Armand Hammer. Hammer announced in late April that his company, Occidental Petroleum, had just discovered large oil deposits in Pakistan.

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### **A Soviet trap for Reagan in Libya?**

The Reagan administration has issued a number of statements that it is prepared to toughen its stance toward Libyan dictator Muammar Qaddafi. Arab sources say that the sniper attack in Libya's London embassy last month which killed a British policewoman may trigger a joint British-U.S. action of some sort against Libya.

The Libyan strongman is feeding new bait: The first week in May, he announced that he would ally with the Irish Republican Army in new terrorist efforts against the British. In a French television interview on April 30, Qaddafi boasted that "before the world, I declare that we have the right to support terrorist organizations."

The U.S. and Western Europe media are filled with stories about how a physically and psychologically ailing Qaddafi is "losing his grip," to quote the *Washington Post*. European sources deny that Qaddafi, no matter how wacky, is losing his hold on power.

All sources agree that should Qaddafi be ousted or become non-functional, it will probably only open the door for tighter Soviet military control over the strategic North African country.

They caution that the Reagan administration could be led into a confrontation with Qaddafi which would pave the way for the Soviets to further consolidate their presence in Libya, much as the foiled U.S. effort in Lebanon opened the door for Moscow.

## Briefly

● **A NEW STRATEGY** of integration within the Warsaw Pact is demanded by a senior Soviet Central Committee official in a recent issue of the journal *History of the CPSU*. Another signal of tighter Russian control over its satellites' military forces was issued in the Czech newspaper *Rude Pravo*, which warned against "separatist" and "particularist" tendencies in the East bloc.

● **A LEADING SWISS** monetary theorist in Berne said April 30 that "The Americans are going to leave or be thrown out of Europe. Once there is one attack or killing a day against American facilities and officers, the Americans will leave. . . . Then we can hire our unemployed into the European armies . . . and set off a massive conventional rearmament program. . . . We should have a policy of euthanasia for the old industries, a systematic build-down of steel, shipyards, machinery. . . ."

● **MARTIAL LAW** has been declared by Sudanese president Gaafar Numayri in response to rebel uprisings and labor unrest. Libyan dictator Muammar Qaddafi says he has formed an alliance with guerrillas in the oil-rich south "in order to liberate Sudan inch by inch."

● **HANI AL HASSAN**, an assistant to PLO leader Yassir Arafat, said April 28 that a reconciliation among the warring Palestinian factions is soon to be concluded. He stressed that the "reconciliation" is the result of Soviet Politburo member Geydar Aliyev's March visit to Damascus.

● **SOVIET LABOR LEADERS** hosted a delegation of the Labor Council (AfA) of the West German Social Democratic Party in Moscow to discuss "the world economic crisis and the arms race." The AfA leaders resolved that there should be a big meeting in the autumn in Moscow, which would deal with "labor's international contribution to disarmament."

# Beam-weapons initiative at center of campaign

by Richard Cohen in Washington, D.C.

According to Washington intelligence sources, a confrontation is brewing over President Reagan's Strategic Defense Initiative (SDI) and thus the entirety of the administration's policy of developing antiballistic-missile defenses based on directed-energy beam technologies. These sources report that key Democrats, under the prodding of the Soviet KGB, have committed themselves to make what they call Reagan's "Star Wars" a central target of attack in the upcoming campaign.

Reportedly, powerful Democrats including former Kennedy administration National Security Adviser McGeorge Bundy, former Carter administration Arms Control and Disarmament director Paul Warnke, and Kennedy family operative Sargent Shriver—a network with long-term assets on Capitol Hill—are committed to bringing the SDI onto the Senate and House floors for its first trial immediately before the Democratic National Convention in July, and making the convention an orgy of attacks against energy-beam defense.

## The Weinberger speech

A small group of Reagan loyalists centered around Secretary of Defense Caspar Weinberger has also decided to bring the SDI into the center of the presidential campaign.

On May 1, Weinberger took the occasion of a National Press Club speech not only to tell the news media that the SDI reflects a profound strategic doctrinal change for the United States, but also to directly attack, for the first time, presidential candidate Walter Mondale, who on April 24 at Case Western Reserve University in Cleveland launched a frontal assault on the SDI, charging that it is "dangerously destabilizing," would not work, and would escalate the arms race "into the heavens" (see *EIR*, May 8). Mondale launched the attack immediately after his advisers concluded that he is close to clinching the Democratic nomination; hence Mondale's vow that he would make a ban on the "militarization

of space" his top priority if elected President was a preview of one of the major lines of attack Carter's Vice-President will mount against Reagan.

At the National Press Club, the defense secretary charged that Mondale's attack was "politically motivated." He said that Mondale's "offhand comments" on beams and his attempts to dismiss efforts to "build a safer place in the world that is already endangered by nuclear weapons . . . ignore . . . that the Soviets for many years have been developing weapons that do indeed use the heavens. I think it's unfortunate that these comments would freeze our defense research program." Weinberger also blasted two recent reports which attempted to discredit the Strategic Defense Initiative, one issued by the Pugwash Conference's Union of Concerned Scientists and the other by the congressional Office of Technology Assessment.

Thus, for the first time, by attacking Mondale, an administration official brought the Strategic Defense Initiative issue directly into the center of the 1984 presidential campaign. Weinberger was trying to undercut the web of intrigue and impotence that had been strangling the program. White House sources confirm that the President's re-election Brains Trust, headed by White House Chief of Staff James Baker III and Deputy Chief of Staff Michael Deaver, has been committed to burying the SDI as a campaign issue. However, the Baker-Deaver group did not intervene to try to temper Weinberger's counterattack, hoping that it might scare the Democrats off the issue. Washington intelligence sources agree that such hopes are vain, because the Soviet leadership has made it clear to the "arms-control" Democrats that "Star Wars" must be defeated before the November elections.

The Baker-Deaver refusal to push for the SDI was blasted on April 27 by Dr. Lowell Wood of Lawrence Livermore Laboratory, one of the architects of the directed-energy-beam

program. "The fact of the matter is that the bureaucracy is in the process of defeating the President's initiative. It is not the President's opponents who are doing it—it is the President's own men," said Dr. Wood, addressing a forum sponsored by the Heritage Foundation in Washington. Foot-dragging and sabotage of the program have left the United States "way back behind" the Soviet Union, he added.

Only a week before the Weinberger May 1 address, senior Pentagon sources who support the program were unanimously reflecting the Baker-Deaver grip over Reagan's re-election strategy and reporting that keeping beam-weapon defense out of the election campaign would ensure that the program would not be killed on Capitol Hill! These sources argued that while large cuts in SDI funding were likely, the new program and program mandate would remain intact. Then, they reasoned, following Reagan's re-election, massive funding would be sought.

The effort against the SDI was launched in the spring of 1983 by the Harriman-Bundy wing of the Democratic Party under the leadership of Senate Minority Leader Robert Byrd (D-W.Va.) and a formidable gaggle of House Democrats typified by Reps. Les Aspin (D-Wisc.) and Albert Gore (D-Tenn.), as well as the Kissinger wing of the Republican Party under the guidance of Sen. Larry Pressler (R-S.D.) and Henry Kissinger's business partner Brent Scowcroft (whose Bipartisan Commission on Strategic Forces was used as a doctrinal and legislative counterweight to the SDI), in concert with forceful internal sabotage of the program from Shultz's State Department and key quarters of the Pentagon.

Now, President Reagan will be forced to choose between a re-election effort based on backing Weinberger's commitment to the new doctrine, or backing down.

### 'Quail at doing anything'

In his National Press Club speech, Weinberger also delivered the strongest commitment to date by an administration official to the new strategic doctrine. He chose a forum before the national and international media—under conditions in which the U.S. defense budget, particularly areas of strategic modernization, faces a dangerous attack on Capitol Hill—to devote the entirety of his presentation to the SDI. Flanked by the director of the newly created Office of Strategic Defense, Lt. Gen. James Abrahamson, Weinberger bluntly asserted that the "safest and most secure way for the future is strategic defense. . . . We are shifting away from MAD [Mutually Assured Destruction] once and for all to Mutual Assured Survival."

He continued: "I have no doubt we have the skill, the knowledge, the resources, and the people to do it. We just must make sure we have the political will to do it." Finally, going beyond previous statements, Weinberger lashed out not only at the critics in Congress, but also indirectly at the network of forces operating within the Reagan administration itself which has sought for over a year to bureaucratically cripple the program by restricting it to research. Weinberger

noted that these opponents "quail at doing anything after the research is successful."

"We propose a policy of deterrence based on destroying weapons, not people," he declared. "This President was never afraid of violating the conventional wisdom. In California when he was governor people would say, 'You cannot do that if you want to get re-elected.' But Reagan never accepted that. He'd say, 'I'm not here to get re-elected, but to do what I said I would do.' . . . We owe it to the American people, to our allies, and freedom-loving people everywhere to continue working, as we intend to, to develop a defense designed to protect us all. . . . There is always the argument that we should not develop defense because it will provoke the Soviets. But they have been working on these systems since 1967. The President has said that it will be shared and the Soviet Union has not made that offer to us—so it is vital that we pursue it. . . ."

Then on May 3, Reagan-Bush '84 campaign adviser and former high-level Reagan National Security Council member Dr. Norman Bailey unleashed another salvo. Representing the Republicans on a panel at the annual Washington conference of the American Institute of Aeronautics and Astronautics, Bailey identified defensive technologies as the military issue on which the two parties differ most.

Assuring his audience that this administration is dedicated to the development of beam technologies for strategic defense, he stated, echoing recent nationally televised addresses by *EIR* founder Lyndon LaRouche, that rapid development of beam technologies would lead to "a rapid and extensive fall-out on the civilian economy," likening this effect to those of the World War II mobilization and the original U.S. space program, and stressing that the SDI is not just a program for defense, but for economic revitalization. Bailey added that even were these civilian benefits unavailable, America would have to seek beam defenses, because the Soviets are developing them as fast as possible, and if they get them first, the United States could indeed reduce its defense budget—down to zero, since its weapons would then be useless. Speaking for the Democratic leadership, former Carter adviser Stuart Eizenstat affirmed that there is a complete consensus among that party's leadership and leadership-accepted candidates against "Star Wars."

Then, on May 4, Weinberger, testifying on Capitol Hill, moved to protect the entirety of the SDI and strategic modernization program by identifying as acceptable ground for cuts only those areas that represent traditional defense strongholds for congressional districts, all entirely in the conventional range.

### Cranston, Brown, and Aspin

Alongside Mondale's announcement that "Star Wars" will be a central campaign issue, a frontal attack on the SDI is now the highest priority for the Democrats. Alan Cranston will be resurrected, taking the lead on this issue.

Immediately after his withdrawal from the presidential

race on March 15, Senator Cranston announced that he would dedicate himself to inserting a "peace plank" in the Democratic Party Platform; he may also promote it in the Senate. It calls for a "nuclear freeze," the banning of anti-satellite weapons, and the banning of "beam-defense" weapons. The plank was first endorsed by McGeorge Bundy, Sargent Shriver, Ohio Governor Richard Celeste, arms controller George Kennan, and "science popularizer" Carl Sagan. Democratic sources report that forces associated with the presidential efforts of Jesse Jackson are certain to force a platform fight that would even further radicalize the party position on military spending and beam defense systems.

Cranston co-thinker Rep. George Brown, who recently formed the Coalition for Peaceful Uses of Space with Sen. Paul Tsongas (D-Mass.), 18 congressmen, the KGB-linked Women's Strike for Peace, and others (see *EIR*, April 10, Congressional Closeup), is now conferring with Aspin, who is a key link in the Scowcroft congressional apparatus.

Brown and Aspin are trying to decide which amendments to the FY85 budget first outlined by Aspin in April will be pushed forward in the House. A severe cutback in SDI funding that would restrict the program to research and the banning of anti-satellite (ASAT) testing is viewed as highly possible. The Department of Defense requested \$1.78 billion for SDI, and the Department of Energy, which funds Lawrence Livermore, Los Alamos, and Sandia national laboratories, requested an additional \$210 million for work at the labs; it is reported that approximately one-fifth of the entire Lawrence Livermore budget is devoted to directed-beam weapons. This would amount to approximately \$150 million, or 75% of the publicly known Energy Department SDI budget.

### **A secret meeting**

It is no exaggeration to say that the instigator of the anti-beam escalation is the Soviet KGB.

On the weekend of May 6, the Federation of American Scientists, an anti-growth environmentalist group; and the Union of Concerned Scientists, which is intimately involved with the Cranston-Brown operation, will hold a secret conclave. Sources say that 24 American scientists and 12 Soviet scientists will attend, and the Soviet delegation will be led by Academician Yevgenii Velikov, the leading scientific architect of Soviet beam defense and the leading Soviet scientific propagandist against U.S. strategic defense. Velikhov, who leads Soviet research-and-development of laser technologies, termed U.S. antimissile beam-defense plans "very dangerous" in the pages of the April 30 *Pravda*. Washington is spreading "illusions" to the effect that these systems are of a "defensive nature," wrote Velikhov. In reality, laser weapons are "unable to defend the overwhelming majority of the population. They are designed for the offensive, to reduce the power of the opponent's retaliatory strike."

On the American side, a speech by Paul Warnke, the former director of the Arms Control and Disarmament Agen-

cy under President Jimmy Carter, and who has close connections to the Cranston operation, is reported to be on the agenda.

In addition, Carol Rosen, who has intimate contact with the Soviet Embassy in Washington and the Soviet government, and who played an important role in arranging former Soviet President Yuri Andropov's last public meeting with a group of U.S. Senators headed by Claiborne Pell (D-R.I.) last year, has successfully insinuated herself into the heart of Democratic operations on the Hill. Rosen, the director of the Institute for Security and Cooperation in Outer Space, is now coaching many liberal Democratic congressmen. Most recently, she was at the side of Rep. Mel Levine (D-Calif.) as he railed against strategic defense at a House Foreign Affairs Subcommittee on International Security hearing on May 3.

That the pro-SDI Reagan loyalists have to fight more than just the Democratic Party leadership was reconfirmed in the May 7 issue of former Secretary of State Henry Kissinger's mouthpiece, *Time* magazine, in which Kissinger's crony from the Council on Foreign Relations Strobe Talbott unleashed one of the fiercest attacks yet on strategic defense, quoting Mondale's "dangerously destabilizing" denunciation and attacking the President for having "often been drawn instinctively to simplistic, gimmicky solutions to problems that entail layers upon layers of historical background and technical complexity. . . . He has clung [most] stubbornly to the idea of space-based defenses. . . ."

### **Gerard Smith's falsehoods**

Reinforcing this message from Kissinger to the President (who still thinks he has an election deal with the former secretary of state based in part on ignoring strategic defense for the duration of the campaign), former Trilateral Commission director Gerard C. Smith, testifying on the Hill May 2, attacked the SDI and General Abrahamson, lying that "The SDI is lighting warning signals abroad, especially in the Federal Republic of Germany. Images of Fortress America and the Maginot Line come quickly to mind. The French and British must view with anxiety what Soviet programs to match our SDI will mean for their modest strategic forces. . . . Although our officials console European leaders with the promise that their countries will come under the defensive umbrellas that we are reaching for, I believe the folk sense of Europe's populations will tell them that inevitably SDI signals a decoupling of their security from ours."

And finally, Kissinger Republican Howard Baker, the Senate Majority Leader who controls the access of bills and resolutions to the Senate floor, decided to let Larry Pressler (R-S.D.) bring to the floor his resolution to ban U.S. ASAT development. These are Kissinger's shots across the bow, an early warning to the White House that if the President does not back down on his commitment to strategic defense, Kissinger-directed electoral backing for the President may be in jeopardy.

# LaRouche's surprise labor strategy for the 1984 elections

by David Wolinsky

In the fantasy that grips Washington, TV-land, and other centers of "authoritative opinion," the U.S. economy is looking up, the labor movement is politically strong, and its vote belongs to Walter Mondale. With an eye to the fraud involved on all three of these counts, maverick Democratic presidential contender Lyndon LaRouche has launched a strategy through which, if it works, labor will help blow apart those fantasies and reshape American politics, between now and November.

The key to the LaRouche perspective is to mold the trade union movement, now as moribund as the old American Federation of Labor of 1929-31, into a political strike force. Labor, which deserted the Democratic Party en masse in 1980 to vote for Ronald Reagan, has no love for Walter Mondale. Although currently being gooned into line behind the "frontrunner," most unionists will desert their International's choice as soon as they see a credible alternative.

These unionists are also aware that they are being sold down the river by AFL-CIO president Lane Kirkland et al. in a political deal by which they are encouraged to accept givebacks and brutal austerity so as not to provide Ronald Reagan with a strike wave to campaign against.

At present, industrial unionism, or what that idea would have meant to a working man of the 1930s, 1940s, or 1950s, is being ruthlessly hunted down and destroyed along with the rest of the productive sinew of America. The February Supreme Court decision in *NLRB vs. Bildisco and Bildisco*, which allows corporations to use bankruptcy proceedings to break union contracts, was a blockbuster precedent for every anti-labor force in the country. But what has been kept out of the headlines is that thousands of union locals, in small and medium-sized shops around the country, face destruction through forced strikes and lockouts, runaways, bankruptcy reorganization, or change of ownership, and demands for contract givebacks. A conservative estimate is that 10,000 locals are immediate targets for union-busting.

For Kirkland, one of Walter Mondale's controllers in the Chuck Manatt-Averell Harriman wing of the Democratic Party, this process is a foregone and much-desired conclusion. Private AFL-CIO studies predict as much as 50-75%

decline in union membership in basic industry. Trilateral Commission member Kirkland never needed convincing that his career and the country's future would be "post-industrial"; as the Paul Volcker-assisted carnage proceeded in the auto, steel, machine-tool, and transportation industries, many union bureaucrats were brought around to the idea. Others were invited for the now-infamous "drinks and sandwiches" before being told that their office and local no longer existed. Now the Internationals are on a big drive to "diversify" into organizing service workers: paper pushers and, often, paper locals. The April issue of the magazine of the Teamsters union (the supposed alternative to the politics of the AFL-CIO) is almost entirely devoted to this strategy.

## Strike wave

But the union membership—including some local leaders—is not buying it. Neither are the thousands who have been driven out of the United States' industrial labor force (see article, page 53). Despite the best efforts of the 'crats and the Trilaterals to forestall any labor embarrassments for the Mondale campaign, a strike wave has begun.

One good example is the Beaumont-Port Arthur area of Texas, a boom region in the late 1970s. As industrial orders, especially exports for Ibero-American development projects, have collapsed, the pressure on the unions has been immense. National Building Trades chief Robert Georgine recently ordered striking Pipefitters Local 195 to remove pickets from other crafts at oil refineries operated by Gulf, Petrofina, Mobil, Union, and Texaco. All of the local craft unions, which had accepted weak contracts expecting the pipefitters to make a stand, are now furious. "They don't want any bad press about unions to hurt Mondale," one local union leader commented.

## 'Let there be no rioting'

"Although I am against chaos and disruption of orderly life of our republic," wrote LaRouche after the gigantic vote-fraud conducted against him in the Pennsylvania Democratic primary last month, "... the voters of the United States will never secure honest democracy at the ballot-box until they

win the battle for democracy in the streets. However, let there be no rioting. Let there be support for every legitimate strike which is about to occur during the months just ahead. The economy of this nation is being destroyed. . . . If the voters are being denied the right to vote for a presidential candidate who will give them economic justice, those voters have no alternative but to win those rights on the picket lines." The quotation comes from LaRouche's April 12 declaration: "I Count Your Vote Even If Crooked State Officials Don't."

LaRouche's manifesto offered beleaguered unionists a chance to turn their defensive strikes into a political strike-wave offensive such as the United States has not seen since the 1930s. In LaRouche's words: "The working people, and masses of unemployed, of this nation are being ruined, and this ruin is being caused by the same evil monetary, economic, and tax policies which are also ruining our productive entrepreneurs and our farmers. We must destroy that common enemy. Insofar as labor acts to weaken that enemy's power, labor is acting in the interest of us all, and requires the support from all among us who care about this republic of ours."

The genius of this approach is that it cuts through decades of "class struggle" rhetoric on both sides of the worker-employer fence. Envision an economy which is perpetually expanding because productivity is constantly increasing, one in which scientific innovation and application is the goal of policy. In such an economy the battle of one section of the citizenry against the other becomes an irrelevant relic of the past, along with "limits to growth" and every other piece of irrational dogma the anti-capitalist financial oligarchy uses to perpetuate its power.

Although alien to conservatives for whom "pro-business" means "anti-union" (as well as to graduates of Harvard Business School), this concept is actually the 19th-century American System "harmony of interests" that saw the forces around Abraham Lincoln and his economics adviser Henry C. Carey launch the era of America's greatest industrial expansion. It was also the basis, however temporary, upon which Franklin Roosevelt mobilized the United States to save the world in World War II.

## Boycotting Sun Oil

LaRouche's forces have moved their "American System" weaponry into action in support of 400 members of Local 7-912 of the Oil, Chemical, and Atomic Workers union (OCAW) on strike at the Sun Oil refinery in Toledo, Ohio. The OCAW workers were forced off the job March 17 after the company dropped out of national refinery contract negotiations and demanded crushing wage, benefit, and seniority concessions. Sun has refused to negotiate, and now reportedly has 100-200 supervisory personnel and scabs, including workers imported from its Yabucoa, Puerto Rico refinery, living inside the plant and working 12-hour shifts.

On April 28, seven hundred unionists and their supporters marched to the plant gates. A local boycott committee began

picketing 23 Sunoco stations in the area a day earlier. LaRouche's presidential campaign organization has put out 800,000 leaflets in support of the strike and the boycott against Sun, starting with Pennsylvania and Ohio. It has also mobilized support telegrams from all strata of the population, and from Western Europe and Ibero-America, emphasizing what is at stake in the strike. "By mysterious but lawful processes this strike has become the rallying-point for the cause of humanity and justice throughout the nation," wrote LaRouche in his own telegram to the president of the striking OCAW local.

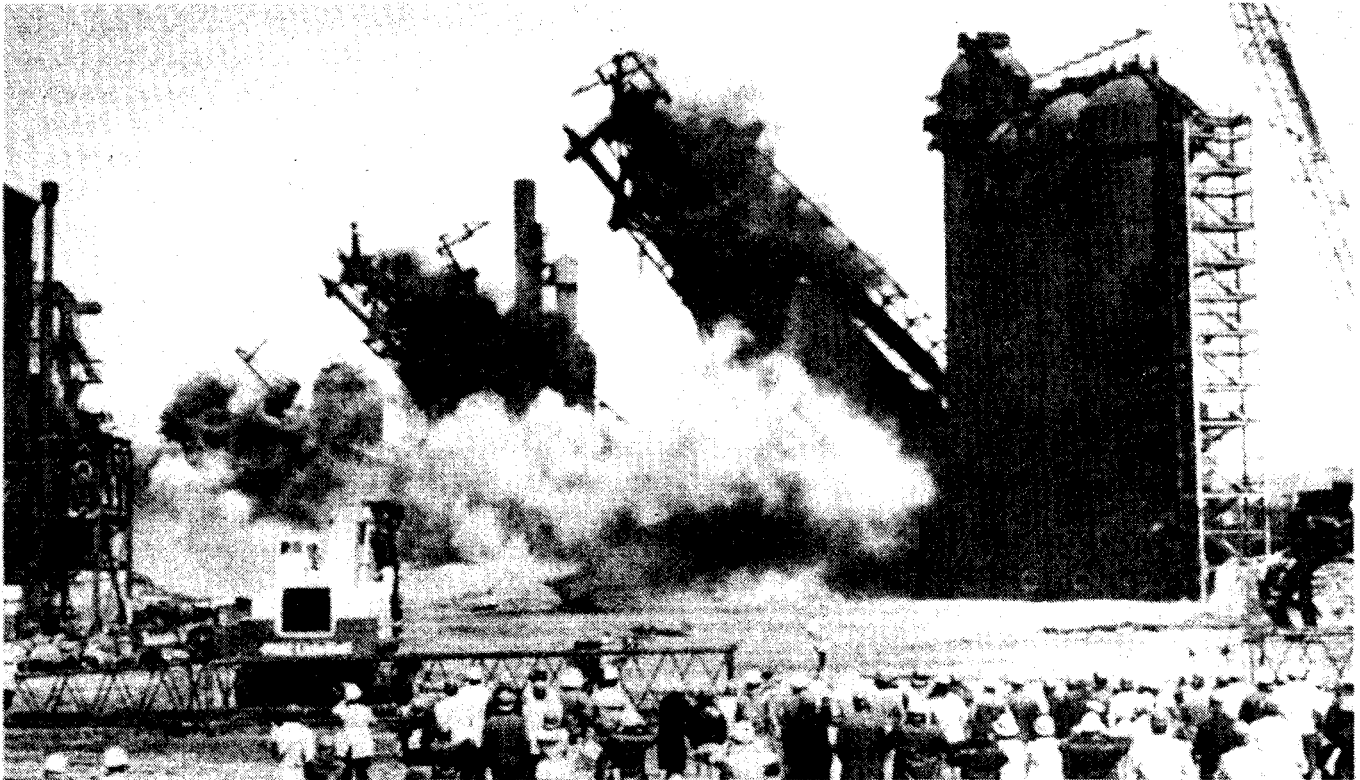
Toledo is a union city. Port workers, auto workers, grain millers, and grain-elevator workers are all unionized, but the nationwide anti-union drive has hit Toledo hard. In 1983, a Teamster strike was broken. Non-union labor built a new hotel subsidized by a county government loan; a referendum against the county loan was voted down. Sun would only save \$25,000 from the concessions it asked from workers in Toledo and in their Marcus Hook, Pennsylvania refinery, but those same concessions would eliminate union protection against department closings and layoffs.

In Toledo, where veteran unionists remember the political strike tradition of the 1930s, the boycott has the support of the AFL-CIO Central Labor Council, Teamsters Local 20, United Auto Workers (UAW) Region 2B, the Northwest Ohio Building Trades Council, and the Toledo Port Council (maritime workers). Other local unionists are pledging to pass resolutions joining the boycott—but no international union has taken similar actions.

One union which has contributed to the OCAW's strike fund is the UAW local at Toledo's AP Parts plant, supplier to General Motors and one of the largest auto-parts manufacturers. The AP Parts workers went on strike themselves on April 28, as the company, bolstered by GM's uncharacteristic advance-payment on a \$20 million parts contract, has been "negotiating" wage and benefit givebacks totaling \$5.20 an hour.

AP Parts has been threatening to move operations to its non-union plant in North Carolina. On March 5, the company abrogated the union's contract, stopped paying into the pension fund, and implemented oppressive new "work rules" enforced by 40 "security guards," with cattle prods and baseball bats, imported from the Cincinnati-based Nuckohls and Associates. In addition, the company erected a security turret on top of the plant and put up two barbed-wire fences.

Such concentration-camp methods, by no means unusual as the architects of the post-industrial society move into their next phase, are spurring strike support not only among different sections of labor but also from the "productive farmers and entrepreneurs" cited by LaRouche. Mississippi farm leader Billy Davis, the designated agriculture secretary in a LaRouche administration, telegraphed the Sun Oil workers: "Only together will we win our country back. Else individually we will stand accountable. Therefore, we farmers stand with you."



Paul R. Schell/Youngstown Vindicator

*Four U.S. Steel blast furnaces being demolished in Youngstown, Ohio in April 1982: but the identities of the steelworkers in the Pennsylvania-Ohio industrial belt have not been destroyed.*

# Attempt to break labor's morale has failed

by Criton Zoakos

A recent election campaign tour through the once-industrial towns and valleys of western Pennsylvania has provided ample and often dramatic evidence that despite mass unemployment and economic hardship, both the morale and the deeply rooted pro-heavy-industry orientation of America's technology-proud labor force remain intact.

## **Rust, not smoke**

The area from south of the town of McKeesport all the way up north to Erie, which helped LaRouche to marshal approximately 400,000 votes in the Pennsylvania primary, is filled with industrial operatives and their families in a mood which can best be described as sullen, angry, and determined to "hang in there," after almost five years of uninterrupted unemployment.

One can drive for hours on the poorly maintained highways and see nothing but shut-down steel factories, remains of demolished blast furnaces, rolling mills with their plant gates shut, and chained steel-pipe factories, with their exterior covered with the familiar reddish color of rusting iron; chimneys and steam pipes protruding into the skyline without smoke or steam rising up. The city of McKeesport, for dec-

ades one of the world's greatest manufacturers of large-diameter steel pipes of the type used for water supply systems, is ironically suffering from a severe water crisis caused by contamination of the water supply resulting from aging and rusting water pipes. Its giant pipe-making factory is completely shut down. Its residential area is deserted, with a great number of houses abandoned and gutted. The scene repeats itself all through Allegheny County, which made and exported most of the world's steel during the 19th and part of the 20th centuries.

Most of the region's workers are steelworkers. Those who are not, are employed to be teachers to steelworkers' children, grocers to service steelworkers' communities, tax collectors to collect steelworkers' taxes, and so forth.

Most steelworkers and their wives are the children and grandchildren of steelworkers, going back to the men and women who founded modern civilization's steel culture back in the days of Abraham Lincoln.

Yet, scores of thousands of these technology-proud industrial operatives have been out of work for four to five years. Many have even been dropped out of the unemployment statistics of the federal government.

As many *EIR* readers will remember, during early 1977, after Jimmy Carter had been smugly installed in the White House, the corporate strategists of Standard Oil of California put into limited circulation a top-secret report dubbed "The Chevron Memorandum," which proposed the final phase of the "institutional unraveling" of the U.S. economy, and outlined a series of major policy steps designed for a drastic, violent transformation of America's industrial/technological culture into the pastoral idiocy of a stagnant, conservation- and services-oriented post-industrial society.

### **The Aquarian paradigm shift**

The Chevron Memorandum and its proposals for that infamous "institutional unraveling" was one of the main instruments by which corporate boards of directors around the country were brought into line with the Carter administration's policy of post-industrial society, or, as Carter's National Security Adviser Zbigniew Brzezinski preferred to call it, the "technetronic era." Both the then government and the Chevron-led portion of the private sector were committed to causing a fundamental shift not only in the structure of the U.S. economy but also in the psychological characteristics of the labor force. A series of well-financed psychological and sociological studies was conducted during that time to lay out policies by which to cause a "paradigm shift" in the sense of identity shared among those in the highly skilled, highly productive, heavy-industry portion of the nation's labor force. Teams of industrial psychologists and social engineers were asked to find the most effective ways to cause people to abandon their inner sense of identity as skilled, productive heavy-industry operatives and gradually come to terms with the tame, submissive, and culturally pessimistic horizons of the "post-industrial" society.

These studies targeted in particular the labor force of the traditional heavy industries such as steel, auto, chemicals, non-ferrous metals, machine tools, and rubber, which were collectively dubbed "sunset industries." The combined effects of high interest rates, crumbling international markets, and continuously rising energy prices helped accelerate the corporate management's policies of deliberate shrinkage. From Paul A. Volcker's infamous October 1979 inauguration of high interest rates, mass unemployment has hit all these industries. Disinvestment, shrinkage of industrial floor-space, dismantling of producing facilities, and actual demolition of whole plants were policies pursued systematically by Aquarian-inspired management. The result was a massive reduction of total producing capacity.

### **The actual psychological effect on labor**

The designers of this policy of institutional unraveling had hoped that this destruction would first demoralize the labor force and then cause them to abandon their traditional reliance on the cultural values of industrial excellence, and technological pride, and their habits of producing "more,"

"better," "bigger," and "faster" than ever before. After a few years of such immiseration, according to the Aquarians' plans, a "paradigm shift" would occur in the inner sense of identity of the labor force. The political dividends to the Eastern Establishment authors of this policy were to be enormous.

It did not happen this way. Today, one may encounter such victimized workers in say, the half-deserted bowling alley of an economically depressed steel town of western Pennsylvania. "What line of work are you in, buddy?" one may ask his chance acquaintance. "I am an unemployed steel worker," he says. "But," you say, "I just saw you this morning working in that pizzeria in the corner." "Nope," he says, "I am an unemployed steel worker!" "But I saw you at the pizza parlor." "No, you don't understand," he explains. "Sure, I dish out pizza pies, but I am an unemployed steel worker."

And so he is. After four years of not having been inside a steel plant, after he saw in his local newspaper front-page photographs of his blast furnace being demolished by dynamite, after his President has told him that he should forget his old employment and go through some "retraining program," this fellow still has no doubt in his mind that he is what he always knew himself to be: a productive steel worker like his father and like his father's father before him. He is one of hundreds of thousands in the valleys of western Pennsylvania who have come out of the harrowing experiences of the Volcker Depression with the same basic reaction. Among them were those who contributed toward LaRouche's 400,000-plus votes in the state. A similar situation has been found in neighboring New Jersey, and Ohio, in Indiana, Michigan, and Illinois, the traditional heavy industrial belt of the United States.

No "paradigm shift" has occurred. No transformation of the personal sense of identity of the labor force has been observed. The Aquarian social engineers had sought this shift in identity, but what they got instead was this now surfacing phenomenon of seething rage among those millions in the labor force who have gone through these last four years of vicious economic warfare and have no doubt that "somebody out there" is out to kill the only sense of identity they have, their technology-proud, highly productive, heavy-industry-oriented self. Their well grounded sense of being menaced with extinction has given rise to a deep, settled, persistent sense of rage. And rage is something our Aquarian social engineers and industrial psychologists had not bargained for.

Now, these workers are very interested in some sound advice: "Don't get angry, get even!" Their political advantage is the fact that what they seek for themselves, which is the reopening, expansion, and modernization of our heavy industries, happens to be at this time the central requirement of the national security of the United States. Unless this is done, the U.S. economy will not be able to restore its "surge capability" as required by the present national security emergency. This in part explains the growing influence of the LaRouche Campaign.



# A history of treason: "Free enterprise" versus the American System of economics

by Molly Kronberg

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**Treason in America:  
From Aaron Burr to Averell Harriman**  
by Anton Chaitkin  
New York City, 1984  
New Benjamin Franklin House  
317 pages \$5.95

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In the first chapter of this book, "Benedict Arnold Re-Examined," appears a quote from the July 11, 1982 edition of the *New York Times*, on the anniversary of Aaron Burr's murder of Alexander Hamilton. The *Times* quote shows what Anton Chaitkin charges throughout his book: That most of what is promoted as American history nowadays is lies. Said the *Times* in that anniversary "reassessment" of Aaron Burr: "The indictment of Aaron Burr for treason 175 years ago proved to be the final blow to the former Vice-President's reputation and political career, even though he was found not guilty of the charge. Now, a scholar contends that a coded letter implicating Burr and long believed to have been written by him was in fact written by an associate.

"That letter . . . supposedly showed that Burr was planning to seize Kentucky, Tennessee, and Mexico for his own undefined political purposes. And it was that letter that persuaded President Thomas Jefferson to issue a warrant for Burr's arrest.

"Citing handwriting analysis, the [modern] scholar . . . contends that the letter was written by Jonathan Dayton. . . .

"*Burr was probably guilty of something, but no one's absolutely sure of what . . .* [Burr was] close to a nervous breakdown [emphasis added]."

"No one's sure of what. . . ." A barefaced lie! The present book, *Treason in America*, was inspired by this *New York Times* falsehood, as the Publisher's Note describes it, to teach the present generation of Americans what the history of this country was, from the days before the Revolution to the days right after the Civil War.

That meant reviewing American history from the standpoint of the unique positive conception around which the world's first and fullest republic was built, and, from the

other side—the principal emphasis of this book—telling the story of the traitors, generation after generation of one network, dedicated to destroying that republic: Who they were, why they did it, in whose service they toiled, and what their impact is today.

## Digging up America's history

The United States of America is but 208 years old, and yet its real history lies buried as if under the shifting sands of ancient Egypt. *Treason in America* is the work of an archaeologist unearthing the secrets of the past.

There is a good reason for this murkiness of the American past, to which Chaitkin alludes repeatedly: The treason of Aaron Burr and Benedict Arnold, of the Boston Brahmins, of the Scottish Freemasons, is compounded in the work of the modern media and the "revisionist historians"—Chaitkin names Charles Beard, Walter Lippmann, Arthur Schlesinger.

The history books our children read today in high school (even the history books you read in your day in high school) censor the central fact of the founding and perpetuation of the American republic: The American System of political economy *versus* the "free enterprise" feudalism of the European oligarchy. America's battles against Britain in the Revolution, in the War of 1812, and in the Civil War, were precisely the battle between the American program of nation-building around industrial development and the British (and Swiss and Venetian) program of looting the raw materials and human potential, physical and mental, of the world. The battle between those economic systems is also the battle between the political systems they imply: democratic republicanism which promotes industrial development, and feudal oligarchism in which "free enterprise" flourishes.

That this is the best-kept secret in America today can be proven by looking at the condition of most contemporary American patriots. Probably the vast majority of Americans, and even some politicians, *want* to be patriotic. Unfortunately, they have no idea how to be. They don't know the founding ideas of the republic, they don't understand what differentiates the United States, really, from the monarchical, or parliamentary, or tyrannical powers of the Old World.

For example. What American conservatives conceive to be "patriotism"—namely, free enterprise—is in fact treason.

It is the very opposite of the foundations of the United States. These notions afflict conservatives like, for example, Gordon Humphrey, Republican senator of New Hampshire. In the name of free enterprise, and for the principle that "government should stay out of the market place," Gordon Humphrey devoted years of his senatorial life to destroying the Clinch River breeder-reactor project which this nation needed desperately to advance its power production and its defenses. "Conservatives" like Humphrey have connived with the "liberal" environmentalists to bury America's nuclear-power industry—meaning that, as the rest of the world proceeds to develop nuclear power to fuel 20th-century industrial economies, the United States will be energy-starved and weakened. In exactly the same way, in the 1930s, the "patriots" who were wedded and glued to free enterprise did everything they could think of to destroy Roosevelt's Tennessee Valley Authority project, without which the United States could not have prosecuted World War II to a successful conclusion (including building the first A-bomb). They failed then where they succeed now, because in the intervening 50 years we have grown more stupid as a nation.

The story was no whit different in the 18th and 19th centuries. It is the story of that free-enterprise movement that is told here.

Tony Chaitkin's book is designed above all to bring reality to the free-enterprise ignoramuses in American business and politics who would like to be patriots but are politically and morally incompetent to be so. In fact, this book might equally well have been titled *Free Enterprise in America*.

## The families

What Chaitkin does is to apply the following principles of method to his subject matter.

He takes the principle of *families*, oligarchical units over generations, and uses that to analyze the network of traitors who operated against the American System even before the Revolution began. Here they all are: Aaron Burr, Benedict Arnold, Albert Gallatin, the Boston Brahmins, the "Yankee" dope smugglers, the Scottish Rite Freemasons; the same people operating New England anarcho-abolitionists and the Southern slavocracy. In Chaitkin's hands, the story emerges of their intimate connections one to another, their intermarriages, their close collaboration over the decades. It was all to one purpose, which Chaitkin makes clear in his concluding chapter, "From the British East India Company to Emerson, Carlyle, and Marx."

The traitors' purpose was free enterprise. In 1776 the American colonies broke from the tyranny of Britain, which forbade colonial manufacturing and ruled that these colonies, like those in India and throughout Asia, could only produce raw materials for British manufacturing, and then had British goods forced upon them. The American colonies insisted on their right to produce, to develop, and nurture infant native

industry to inspire growth for the new nation.

That same year, 1776, Adam Smith, guru of free enterprisers up to the present day, published *The Wealth of Nations*. He was to political economy what Charles Darwin was to biology. For Smith, as for Darwin, Nature is "red in tooth and claw," and the principle of human existence is survival of the most brutish. The arena in which Smith saw that fight fought out was free-enterprise economics. The state must not be allowed to meddle to advance necessary industry and production, nor to educate and develop its citizenry to be capable of more sophisticated and efficient technologies. The "invisible hand" must be the arbiter of economic life or death. If the "invisible hand" looks suspiciously like that of a British Empire puppeteer, no matter; it has remained invisible to this day to most of the world, which resolutely denies that there are any conspiracies in the international economy.

Also that year, Edward Gibbon produced his mind-numbing *The Decline and Fall of the Roman Empire*. At first reading those volumes might seem an extended encomium on Gibbons' beloved Roman degenerates, but the deeper purpose was to explore how the British Empire might avoid the pitfalls into which Rome stumbled (like Christianity, said Gibbon) and thrive forever. The British oligarchy, along with their partners in Geneva, Zurich, and Venice, took Gibbon's advice seriously, and they are still around.

## Free to loot

These men, along with Jeremy Bentham, James and John Stuart Mill, Thomas Malthus, and Karl Marx's controller Friedrich Engels, were the ideologues of free enterprise. In application that meant: The freedom of Britain, Switzerland, and Venice, with their operatives in the United States, to force Indian opium on an unwilling China. The freedom of Britain, Switzerland, and Venice, with their minions in the United States, to sell human beings into slavery and work them till they dropped. The freedom of Britain, Switzerland, and Venice, with their deputies in the United States, to strip the colonial world of its wealth, to cause vast famines and depopulation, to sabotage any economic development which would lead to human development.

How did Britain's free enterprise work vis-à-vis the United States? As Chaitkin documents, it was all explained to the House of Commons in 1816 by Henry Brougham: "After the cramped state in which the enemy's [he means the United States] measures and our own retaliation . . . had kept our trade for some years . . . a rage for exporting goods of every kind burst forth. . . . Everything that could be shipped was sent off; all the capital that could be laid hold of was embarked. . . . *It was well worth while to incur a loss upon the first exportation in order by the glut to stifle in the cradle those rising manufactures in the United States which the war [of 1812] had forced into existence contrary to the usual course of things [emphasis added].*"



NSIPS

Author Anton Chaitkin (right).

## The Civil War

The American Civil War was the perfect expression of traitors' method and purpose. Take Boston Brahmin Caleb Cushing. He trained William Lloyd Garrison in the most virulent form of abolitionism—that form which demanded that the Union be dissolved over the issue of slavery. He helped to run John Brown, the abolitionist-terrorist who, like Garrison, was determined to split the Union. And he himself emerged as a spokesman for slavery! He sent his intimate Albert Pike to take over the key frontier state of Arkansas. His close friend and protégé John Quitman led the slavocracy's secessionist movement in Mississippi, became governor of the state in 1850, and also held a seat on the Supreme Council of the Southern Jurisdiction of the Scottish Freemasons, which overlapped almost one-to-one the Southern secessionist movement.

The traitors ran both sides to trigger secession, and they did so to ensure that the "more perfect union" created by the Constitution of the United States of America would break apart. The political economy conceived and created by Benjamin Franklin and Alexander Hamilton, championed and extended by John Quincy Adams, Henry Clay, and other great patriots, was to be destroyed. Hamilton's American System, with its internal improvements, state protection of and credit to industry and manufacturing, had, as Henry Brougham complained, caused an explosion of American industrial production "contrary to the usual course of things. . . ." All that had to go. The best way to get rid of it was to destroy Hamilton's Bank of the United States, which was done under the Andrew Jackson presidency, and then to destroy the United States. If the United States were turned into a bunch of Balkanized, feuding states, the American

System of economics would have no concrete expression among the world's governments—its great and growing influence in Europe and Ibero-America would be broken.

Instead, one of the last great application of the American System occurred under the wartime administration of Abraham Lincoln. Chaitkin describes the process: From 1861 to 1865, "Lincoln invoked the full powers of the presidency; he called into existence massive productive powers—creating the steel industry from scratch and starting the world's greatest railroad system; and he gradually forged an unbeatable military machine. By the war's end, the United States armed forces were the largest and toughest in the world; and the continuing productive momentum of Lincoln's restored Hamiltonian policies were to give the United States the world's largest industrial economy within less than two decades."

That momentum is what has impelled the U.S. economy forward, to the extent it has gone forward, in all the years since Lincoln's day—because that was the last time a consciously Hamiltonian policy was applied in this country. We are living off the capital of a century ago, while free-enterprise exponents undermine our potential ever again to institute a state-directed, long-term, cheap-credit policy that builds up heavy industry, builds up our national defense, advances our agriculture, and exploits new technologies. Every conservative running around babbling about free enterprise is, willy-nilly, attacking the possibility for future existence of the United States as a great industrial power, much less the greatest industrial power on earth. If today's conservative nostrums had won out right after the American Revolution, or during the War of 1812, or during the Civil War, you and I would not have been born Americans—there would have been no such animal.

## LaRouche associates' history series

Chaitkin's book is introduced by *EIR* founder Lyndon H. LaRouche, Jr., currently a candidate for the Democratic presidential nomination. In fact, the book was urged by LaRouche as a timely intervention into 1984 politics. It is past time that Americans make themselves familiar with the American history series that LaRouche's associates have put together over the years. *Treason in America* is the most recent in a series by LaRouche and his colleagues that started in 1977 with the publication of *The Political Economy of the American Revolution*, continued in *The Civil War and the American System: America's Battle with Britain, 1860-76* in 1978, and also included *The Ugly Truth About Milton Friedman*, 1981. As is clear from the titles alone, the polemic in each case centers around the conflict between the American System and free enterprise.

If America continues in ignorance of this subject—its own history—it is certain the country will not survive. *Treason in America* is a tremendous piece of ammunition in the fight for survival.

# Elephants and Donkeys

by Kathleen Klenetsky

## The decline and fall of Gary Hart

Two months ago, Gary Hart was being hailed by the media as the political phenomenon of the decade, a fresh, new face with fresh, new ideas who would gather around him a fresh, new constituency, win the White House, and usher in the technetronic paradise for which all true "yuppies" yearn.

But things have changed drastically indeed. Beginning with the New York primary April 3, where Hart was routed by Mondale, the Colorado senator has hit the political ropes. His so-called political base has dried up or turned against him; his former admirers in the media treat him as an oddball or a loser; and rumors are flying that his wife is about to leave him for the third time. The way things look now, Hart may wind up considering himself lucky if DNC chairman Charlie Manatt deigns to say hello to him six months from now.

What turned Hart's meteoric rise into an equally meteoric decline? The Eastern Establishment's kingmakers apparently decided that Hart just wasn't up to snuff and cut him loose. Since Hart's alleged popularity rested on little more than a combination of media hype and voter disgust with Walter Mondale, their decision spelled doom for Hart's presidential hopes.

In the face of these grim prospects, Hart has actually resorted to tackling Mondale on some real issues. Campaigning in Texas April 30, Hart charged that Fritz, as Vice-President,

had been part of an administration that was "weak," "inept," "uncertain," and marked by "days of shame in Iran." "Walter Mondale now promises an America that can and will stand up for its vital interests," he said at Texas A&M University, "but Carter-Mondale actually gave us an America held hostage to the Ayatollahs of the world."

Hart's charges were true, but they certainly weren't one of his "new ideas." Instead, they were borrowed from another Democratic presidential candidate, Lyndon H. LaRouche. LaRouche—who recently noted that Gary Hart's new ideas "must be new because they were invented two centuries before the discovery of mud and just reappeared again"—had made the Carter administration's support for Khomeini a major issue in the 1980 campaign. LaRouche has continued to make the Carter-Mondale sell-out of U.S. strategic interests a major theme of his current campaign.

Hart's accusations contrast sharply with his previous position, an insistence that the United States should not even consider using military force in the Persian Gulf, even to protect oil flows to the West. And as former Carter-Mondale Secretary of State Cyrus Vance pointed out in his irate rebuttal of Hart, the State Department "never heard anything from Gary [during the hostage seizure] about how to deal with the problem."

Hart's echo of LaRouche's charges caused an uproar among the Establishment elite. Cyrus Vance whined that for Hart "to hang this tragedy on Mondale is unfair, and to turn it into a general condemnation of weakness . . . was a cheap shot, hurting him and his party."

Vance's comments appeared in a May 1 column by *New York Times* scribbler James Reston, who complained that by attacking the record of his own party and crossing "the line of fair opposition on policy and principle. . . . Hart has just made what

seems like a major and maybe even fatal blunder in his campaign for the Democratic presidential nomination."

And New York Governor Mario Cuomo stated bluntly that Hart's "hyperbolic negativism" was so "unseemly" that the Colorado senator should no longer be considered a possible vice-presidential candidate. Cuomo, who entertains national political aspirations of his own, urged that the party look instead to the South for a vice-presidential nominee and listed Texas governor Mark White, Sen. Dale Bumpers (D-Ala.), Sen. Lloyd Bentsen (D-Tex.) and former presidential candidate Sen. Ernest Hollings (D-S.C.) as potential nominees.

## Pamela Harriman's hanky-panky

LaRouche's impact on the campaign is being felt throughout the East Coast elite. Another case in point is Pamela Harriman's recent intervention into Louisiana politics.

Our sources tell us that Pamela, wife of Averell and head of a political action group called Democrats for the '80s, recently sat down Louisiana governor Edwin Edwards for a long chat about the 1984 elections in general, and his state's May 5 primary in particular.

We don't know what was said, or who offered what to whom, but shortly thereafter, several of Edwards's closest political associates (including his brother) who had previously been uncommitted suddenly endorsed Mondale and actively campaigned for him in the state.

The Harrimans are known to fear and hate LaRouche, who had exposed them as sponsors of the racist eugenics movement in the United States. LaRouche is now kicking up a political storm in the state, especially with his radio-TV blitz blasting Harriman intimate Henry Kissinger as a Soviet agent of influence.

# Kissinger Watch

by M. T. Upharsin

## Henry Kissinger, the mafia, and genocide

Judging from a pattern of events since the last few days of April, Dr. Henry Kissinger is being "watched" by many more people than the composers of this column.

As we go to press, twice since April 27, the national fight between U.S. Democratic Party presidential candidate Lyndon H. LaRouche, Jr. and Dr. K. has been a feature item in the daily press. And the momentum, as they say, is building.

On April 27, the widely read *Cleveland Plain-Dealer* ran a page-six story entitled "LaRouche Rails at Kissinger in Presidential Ads," noting that LaRouche has been advertising all over Ohio that he is the "candidate Henry A. Kissinger hates the most." *Plain-Dealer* journalist David Beard received the first-ever publicly recorded response by Kissinger to LaRouche's 1984 campaign. "The statements about me are utter nonsense and not worthy of any response," Dr. K. told Beard.

The *Plain-Dealer* publicized the times of LaRouche's next televised broadcasts attacking Kissinger. That, plus the attendance of 40 journalists at three LaRouche press conferences in Cleveland, Columbus, and Cincinnati on May 1-2, promises that the LaRouche-versus-Kissinger fight will be a hot item indeed until the May 8 Ohio primary, and afterward.

## The Temple Mount charge against Cohen

On April 30, the *Washington Post's* Richard Cohen published an op-ed column attacking *EIR* Washington editor Richard Cohen for Cohen's claim that Kissinger is working with "Swiss Nazis" as part of the Temple Mount Foundation attempts to "rebuild Solomon's Temple" in Jerusalem.

The columnist pretended that this

was a random example of LaRouche Democrats' *outré* behavior. But the column reflected warfare among intelligence agencies and government factions. This is the first known publicity outside *EIR* and a handful of Middle Eastern journals linking Kissinger to the Nazi International and to the Temple Mount plot.

On April 30, Dr. K. was officially voted onto the board of directors of American Express (Amex) in New York. In recent months, Amex has been effectively taken over by Edmond Safra, the Syrian-Jewish banker being dubbed the "new Meyer Lansky" in security circles. (See *EIR*, April 24.)

Safra is heavily linked to drug-related dirty money operations, particularly in Ibero-America. It may not be viewed as coincidental in Colombia and other nations of Ibero-America that Kissinger joined Amex's board on the same day that terrorists killed Colombian Justice Minister Lara Bonilla, the most courageous anti-mafia fighter in South America who had been targeted by Kissinger and his associates for assassination.

Safra is also involved through various conduits in funding groups involved in both the Temple Mount destabilization in Jerusalem and in land-scramming real-estate activities on the West Bank. Since November 1982, *EIR* has published documentation on Kissinger's involvement in such scams.

## Strike-breaking: who would have thought it?

As he shows himself more openly as a mafioso, Kissinger is also emerging as a top insider in attempts to break up the U.S. industrial union structure.

As of this writing, an Oil, Chemical, and Atomic Workers (OCAW) union local is involved in a bitter strike against the Sun Oil refinery in Toledo, Ohio (see article, page 51). You prob-

ably didn't know that one of Sun's directors is Washington lawyer Sheldon Vance, who had been brought in by Kissinger in 1973-74 to run the White House Commission on International Narcotics Traffic.

*EIR* has also been investigating rumors, first floated in the Toledo press, that Sun Oil's management had intensified its efforts to break the union after receiving a buy-up bid from Arco oil company, which has been run in past years by Kissinger intimate Thornton Bradshaw of NBC-TV. Arco's *quid pro quo* for the deal was that the company first bust the union. Reportedly, the manager of the Anglo-Swiss consortium trying to buy up Sun on behalf of Arco was Chase Manhattan Bank, on which Kissinger sits as an adviser.

The OCAW union is also in intense negotiations, probably leading up to a strike action, with Merck International, the Rahway, New Jersey pharmaceuticals and chemicals company. In 1982, Henry Kissinger was brought onto the board of Merck as a strategic adviser.

## Kissinger's record fuels outrage in Maryland

In Maryland, the primary campaign has been livened up by a citizens' action, led by LaRouche congressional candidate Debra Freeman, against Johns Hopkins Medical Center in Baltimore. What does this have to do with Henry the alleged pederast? For the last decade, Johns Hopkins has been implementing a program whose ultimate aim is to sterilize one-quarter of the women in the world capable of child-bearing. That program began in 1972-73 with a grant from the State Department's Agency for International Development (AID), mandated through State's Office of Population Affairs, a genocidalist bureau established in the 1970s by none other than Dr. K.

## Abscam report is suddenly released

After three years of investigation and nearly a year of preparation, the House Subcommittee on Civil and Constitutional Rights' report on the FBI and its Abscam entrapment operation against U.S. legislators was finally released to the public at the end of April. The report charged that "values reflected in our Constitution are directly threatened by these operations."

The report had been scheduled for release for some time with no explanations given for the lengthy delay.

But Capitol Hill sources noted that the report appeared several days after a nationally televised attack on the FBI by Democratic presidential candidate Lyndon H. LaRouche, Jr.

The Judiciary Committee subcommittee, chaired by Rep. Don Edwards (D-Calif.), conducted 21 hearings over a four-year period and concluded that "the proper limit of governmental intrusion into individuals' lives and privacy; . . . the protection of privileged relationships reflected in the First Amendment; and the requirements that criminal investigations and prosecutions be conducted in a fundamentally fair manner . . . are all endangered by the undercover technique as it is being used today. The infiltration by government agents, or criminals who are financed by the government, into the private lives of citizens; the spectacle of the U.S. government spending large sums of money to tempt people into committing crimes; and the atmosphere of fear, suspicion and paranoia which develops as the use of the technique expands, are all anathema to the values protected and cherished in our Constitution."

Unlike the Senate Select Commit-

tee's Abscam report, released early last year, which whitewashed the FBI's activities in Abscam and its illegal set-up of former Sen. Harrison Williams (D-N.J.), the House subcommittee extensively detailed manifold abuses by the FBI as it carried out a series of undercover operations.

A large portion of the subcommittee report is devoted to an analysis of "Operation Corkscrew," an FBI political sting operation in which the Justice Department's much-touted safeguards were nowhere in evidence.

Operation Corkscrew, directed at the Cleveland Municipal Court, was initiated, according to the subcommittee, "without any basis for 'reasonable suspicion' of judicial case fixing." The result was that the FBI was "stung" by its own middleman and the reputation of the Cleveland municipal judicial system severely damaged in the eyes of the public.

The report notes the enormous increase in resources now being devoted to FBI sting operations, from \$1 million in 1977 to \$12.5 million in 1984. The subcommittee concluded that "if undercover operations are to be permitted, existing procedures must be substantially modified, with additional safeguards imposed, and enforcement mechanisms provided."

## 'No risk' of debtors' cartel in Latin America?

A disbelieving House Banking Committee heard several witnesses insist that there was no political risk of a "debtors' cartel" emerging out of the recent temporary bailout of Argentina.

Testifying on May 1, New York

Federal Reserve Board Governor Anthony Solomon and Treasury Department officials insisted that the political risk to the United States was minimal, since U.S. funds are only exposed until Argentina signs a letter of agreement with the IMF. The hearings took place on the day after the 30-day deadline set for Argentina to sign such a letter had passed with no indication that any agreement would be reached.

Rep. Stephen Neal (D-N.C.), the floor manager for last year's bill boosting U.S. payments to the International Monetary Fund (IMF), insisted that "our funds are not at risk. We are only trying to aid a struggling democracy without risking any of our capital."

But most members of the committee did not buy this argument, and instead pushed their own schemes for financial reorganization, which would all impose greater austerity on both the industrialized and developing sectors while leaving the financiers who created the crisis riding high.

Rep. Charles Shumer (D-N.Y.) said that "this is the first time the U.S. government has acted to protect bank profits," and agreed with the other members of the subcommittee, including Republicans, who were calling for Washington to stand aside and let bank stockholders take their losses. Shumer pushed his policy of debt stretch out: "Look at Peru, it has major problems. Santo Domingo did just what the IMF said and now look what has happened." Shumer urged that the administration abide by the provisions of the 1983 IMF bill, which called for a debt stretchout.

Rep. Denny Smith (R-Oreg.), a fiscal conservative who recently organized support for a zero-percent in-

crease in defense spending, pushed his resolution to force U.S. banks to absorb Third World debt losses.

## Support for Colombia's war on drugs—a bit late

Congress took the belated step of passing a resolution commending Colombia's war against drugs, after the assassination of Colombian Justice Minister Rodrigo Lara Bonilla on April 30.

The House of Representatives passed House Concurrent Resolution 275 May 1, which "commends the Government of Colombia for its recent seizure of record amounts of cocaine; and congratulates the Government of Colombia and the Colombian National Council on Dangerous Drugs on the recent decision to conduct experimental testing of herbicidal eradication methods; . . . and deplores the brutal assassination of Rodrigo Lara Bonilla, a leader in the fight against illicit narcotics in Colombia." The resolution was passed on the floor of the Senate the next day.

With a few notable exceptions on both sides of the Hill, Congress has been silent about the international effort against drugs. Some, such as Senate Foreign Relations Committee chairman Charles Percy (R-Ill.), have a record of open obstruction of anti-drug measures. While he has recently reversed his position, Percy was the Senate's leading opponent of U.S. assistance to Colombia for a paraquat drug eradication program and thereby helped to delay the war against the drug mafia which killed Lara Bonilla.

Percy's track record did not deter

him from giving a sanctimonious speech about Colombia and Lara Bonilla. "One of the most effective ways to achieve this objective [reducing the flow of cocaine and marijuana] is by herbicide eradication done in cooperation with the host government. It is my hope that Colombia will soon implement an ongoing herbicide eradication program aimed at reducing its illicit marijuana crop."

In a Senate speech urging the passage of the House resolution and passage of his own Senate Concurrent Resolution 358, Sen. Lawton Chiles (D-Fla.), who has been most outspoken about inadequate U.S. and international narcotics efforts, said: "The government of Colombia has embarked on a difficult journey to make this hemisphere a safer place, free of drugs and free of the criminal element which lives off the profits of those drugs.

"Colombia deserves our pat on the back and our encouragement to go forth as its President accounced, 'unleashing a war without quarter against the crooks that sow terror in cities, the countryside, and towns.'"

## 'KGB Budget' gets unexpected Senate backing

Although the Senate defeated the so-called KGB Budget by a margin of 33 to 65 on May 2, the proposal for an across-the-board freeze on defense spending mustered surprising support from formerly pro-defense, fiscally conservative Republicans who appear to have taken complete leave of their senses.

The KGB Budget—so named for

the initials of its sponsors, Sen. Nancy Kassebaum (R-Kan.), Charles Grassley (R-Iowa), and Joe Biden (D-Del.), would hold defense spending to a zero-percent increase after inflation. In the hours before the vote, Senate sources were reporting with alarm that the amendment actually stood a chance of passage and that the White House had done virtually no lobbying against it.

While the White House apparently finally moved to discourage support for the proposal, a number of conservative Senators voted for it, including Sens. Bill Armstrong (R-Colo.), David Boren (D-Okla.), Gordon Humphrey (R-N.H.), Roger Jepsen (R-Iowa), Bob Kasten (R-Wisc.), Mack Mattingly (R-Ga.), Don Nickles (R-Okla.), and Alan Simpson (R-Wyo.).

On the House side, 29 moderate-to-conservative Republican congressmen sent a letter to their Senate colleagues May 1 urging them to vote for the KGB Budget. Rep. Denny Smith (R-Oreg.) was reportedly the ringleader of the group.

John Tower (R-Tex.), chairman of the Senate Armed Services Committee, denounced the KGB plan in the floor debate: "What is most apparent in all of the debate is that the Soviet threat has simply not been addressed. We have heard nothing from the supporters of this plan concerning this assumption about current and future Soviet military developments.

"Can the proposers of the plan—and I invite their attention to what I am about to say—can the proposers of this plan guarantee me that the United States will not be more vulnerable to attack, that our vital interests abroad will not be more vulnerable to a challenge by Soviets and Soviet surrogates? Can they guarantee me that?"

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# National News

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## Insurance spokesman for 'management of death'

A spokesman for the New York-based American Council on Life Insurance, the organization speaking for the interests of the large life-insurance companies like Prudential and Equitable, told a reporter May 3 that a "cost-benefit approach" by the companies is leading to more support for hospices and for the "assertion of the individual's right to have the choice to die."

He declared: "What Governor Lamm said marks the opening of a public policy debate: Who shall receive costly services? We will have to adopt a cost-benefit approach, and we are seeing the opening edges: the hospice movement, talk of triage in some hospitals, and so on.

"Because of the extreme cost of heroic and intensive care, we have to think more seriously about cost-effectiveness. Hospice care is preferred, it is cheaper and more appropriate, because it involves people trained in the management-of-death process, in the neighborhood of [Elisabeth] Kübler-Ross's theories. There must be the recognition of death, to overcome denial. After the anger that brings, there comes the acceptance of mortality.

"The role of the insurance companies is to make appropriate coverage linked with attempts to get more cost-effectiveness. The key is cost-containment. . . . This won't mean more euthanasia, not in America, people won't stand for that. But what would happen here is the assertion of the individual choice of the right to die. This will remain a choice, since the word 'euthanasia' is anathema to Americans."

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## Webster hails 'decline' in U.S. terrorism

FBI Director William Webster announced once again that U.S. terrorism is on the de-

cline. Figures released by the FBI on April 29 "reveal" a 14% decline in bombings in the United States.

Amidst this allegedly waning wave of terror came the bomb attack at the Capitol Nov. 7, which caused more than \$250,000 in damages and avoided blowing up senators and others only due to a last-minute scheduling change. According to the FBI, there were 687 bombings in 1983, resulting in 12 deaths, 100 injuries, and more than \$6 million in property damage.

The same FBI director who denies KGB control of the "peace movement" and domestic terrorism also announced the reduction in the number of terrorist cases, from 38 in 1982 to 22 in 1983. A good indication of how these figures are arrived at was the Jan. 11 terrorist assassination of Maj.-Gen. Robert Ownby at Fort Sam Houston in Texas. Ownby was found hanging with his hands tied behind his back and a terrorist note pinned to his uniform. The FBI promptly announced "suicide," and closed the case.

Ironically, the FBI released its figures the very day the Israeli government announced the arrest of 20 terrorists whose planned murder of hundreds of Moslems while they worshipped at the Dome of the Rock could have thrust the Middle East into war. The KGB authors of Middle East destabilization have placed the United States next on the terror agenda.

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## FBI becomes target in presidential campaign

On April 27, Democratic presidential candidate Lyndon H. LaRouche, Jr. charged on national television that the FBI is complicit in a wide range of illegal and potentially treasonous activities including covering up terrorist operations. Shortly afterward, two other presidential candidates issued public attacks against the Bureau.

In a campaign appearance in Memphis April 30, at the site where Martin Luther King was assassinated, Jesse Jackson charged that the FBI had taken part in a conspiracy to murder Dr. King. "I went to

see James Earl Ray in prison," Jackson said. "It was clear he was involved, but it was also clear he wasn't capable of pulling it off himself." Jackson said that the authorities had failed to protect Dr. King adequately and that the FBI had attempted to impugn his character and divide his family.

Gary Hart has also hit the Bureau, criticizing the "entrapment" methods it used during Abscam; Hart has vowed to replace FBI director William Webster for his role in the sting operations against Congress.

Meanwhile, on Capitol Hill, the House Judiciary Subcommittee on Civil and Constitutional Rights blasted the FBI May 1 for its Abscam-style undercover operations, charging that the bureau has not hesitated to interfere with the nation's "political, judicial, and financial institutions." The subcommittee issued a 100-page report, based on a four-year investigation into FBI undercover activities (see Congressional Closeup).

At a news conference, subcommittee chairman Don Edwards (D-Calif.) said that FBI undercover operations have sometimes intruded into the "lives of some very innocent people."

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## NBC in more deals with Moscow

NBC-TV has negotiated a breakthrough deal with Moscow to film a television mini-series on Peter the Great. According to the May 1 New York *Daily News*, "Mother Russia is waiting with open arms" for the filming to start, and NBC and the Soviets "have now settled all problems and even signed a 'treaty' for this great work."

The *News* reports that this is the first "totally independent" production of an American-made movie inside the Soviet Union.

It is not the first cooperative media effort between NBC and Moscow. NBC-TV is currently the defendant in a multimillion-dollar libel suit brought by presidential candidate Lyndon LaRouche. The RCA subsidiary spent six months and millions of dollars to produce two 1984 broadcasts full of wild



lies about LaRouche. Eight days after the March 4 "First Camera" broadcast, the Soviet government daily *Izvestia* ran it nearly verbatim on page one of its international section.

## LaRouche sues League of Women Voters, again

Democratic presidential candidate Lyndon H. LaRouche, Jr. April 30 sued to enjoin a League of Women Voters debate scheduled for May 2 in Dallas, Texas. A Fort Worth judge rejected the arguments of LaRouche attorneys, but LWV national chair Dorothy Riding was compelled to appear to testify on why her purportedly non-partisan organization had excluded LaRouche from the debate.

She stated that if LaRouche were included, it "would affect the kinds of discussion" that occurred during the debate, and also that she doubted the other candidates would be willing to debate LaRouche.

At the same time, the Federal Communications Commission ruled that radio stations in Dallas and elsewhere must sell to The LaRouche Campaign five-minute time slots for advertisements featuring "Sarah Lockjaw and the League of Wanton Sisters." The humorous commercial imitates a typical LWV debate between Hart, Mondale, and Jackson. A LaRouche complaint on file with the Federal Election Commission, dating from his exclusion from a Pittsburgh debate prior to the Pennsylvania primary, argues that the league is clearly in violation of regulations permitting only non-partisan organizations to stage debates.

## Building trades chief busts strike

A Nederland, Texas pipefitters local is getting a lesson in what the deal between AFL-CIO president Lane Kirkland and the Walter Mondale machine is all about: breaking

strikes. Pipefitters 195 was ordered in late April by national Building Trades president Robert Georgine to remove pickets from other crafts at refineries operated by American Petrofina, Mobil, Gulf Oil, Union Oil of California, and Texaco. Georgine and the national pipefitters union threatened the local with disciplinary action in letters to the local president.

Building trades leaders in the Beaumont-Port Arthur area were furious with Georgine, but removed the pickets. "He weakened this strike," said one union president. "He is going to make sure that they [the pipefitters] are beaten." The other crafts had signed a weak contract with the oil companies, but were looking to the pipefitters to stand up to the union-busting trend.

"They are going to make this union suffer," said a local building trades official of the oil companies. "Why should they give the union anything now?"

Weeks ago, it was reported that Lane Kirkland had made a decision to stonewall and sabotage all strike activity until the November elections. "They have a caucus coming up down here," said a local building trades leader, referring to the May 5 Democratic caucuses. "They don't want any bad press about unions to hurt Mondale." Most of the building trades members have "no love for Mondale," he added.

## Los Alamos begins laser fusion testing

The Los Alamos National Laboratory has announced that fusion target testing has begun with the world's largest carbon dioxide laser, the Antares. The experiments will study the physics of nuclear weapons on a laboratory scale, and contribute to the civilian fusion power program.

The Antares is a \$62-million, 24-beam system which uses mirrors to focus its beams onto a target pellet of fusion fuel about the size of a printed period. Antares will deliver about 50 trillion watts of power—four times the previous Helios laser—to compress the pellet in billionths of a second.

## Briefly

● **COL. MARC GENESTE**, known in France as the "father of the French neutron bomb," completed a U.S. tour April 26 with a Washington, D.C. seminar on "A Strategy for the Defense of Europe." He called for the neutron bomb to defend against Soviet land forces, and beam-weapons against Soviet "artillery,"—nuclear missiles. "We have known about beam weapons for 2,000 years, since Archimedes directed the sun's rays to destroy an enemy navy. . . . You have the scientific knowhow and industrial might to make anything possible!" The 50-person audience included nine representatives of the Defense Department.

● **THE NEW ORLEANS *Times-Picayune***, Louisiana's leading newspaper, called for "serious discussion" of President Reagan's "Star Wars" proposal in an editorial April 27.

● **CANDIDATES** backed by LaRouche's National Democratic Policy Committee—all opponents of the party's national boss, Charles Mantt—won at least 75,000 votes for Democratic National Committee and local party posts in District of Columbia elections May 1. Richard Cohen, running for DNC at-large, received 22%; Laura Chasen Cohen, DNC at-large, 20%; Maxine Smith, DNC alternate at-large, 32.1%; and Dr. Richard Thompson, DNC alternate at-large, 27.2%.

● **SUSAN JOHNSON**, *EIR*'s managing editor, appeared in New York City Criminal Court on April 30 to answer charges of subway graffiti. After a series of other graffiti defendants received \$100 fines, the 40-year-old editor pleaded "guilty with explanation," namely, that posting political campaign stickers should be legal. The judge pronounced: "That's not graffiti," and read out the content of the anti-Kissinger sticker to the courtroom. "I see nothing wrong with that," he said. "Not that I necessarily agree with it, of course." Mrs. Johnson was acquitted.

## Editorial

# *Europe to labor for the Soviet Union?*

Soviet party chief Konstantin Chernenko, in a speech April 29 at the "Hammer and Sickle" steel plant in Moscow, reported that his office was flooded with letters from workers demanding to work a seven-day week because of "the present tense international situation." As we report in this issue of *EIR*, Chernenko declared that the surplus created by this "voluntary" labor would be contributed to a National Defense Fund, such as existed during World War II.

Recent actions by Western European leaders suggest that they too will soon be signing up to work overtime at the "Hammer and Sickle." The drive to decouple Europe from the U.S.A., fostered by the Soviets and their agent of influence Henry Kissinger, produced the following results during April and May:

- Italian Foreign Minister Giulio Andreotti signed a joint statement in Moscow April 24 with the Soviet leadership, opposing the U.S. effort to acquire a space-based laser defense system.

- Top German bankers met with their Soviet counterparts in Tashkent, U.S.S.R. in mid-April to map out a program for the European Currency Unit to replace the dollar as an international reserve currency.

- Horst Ehmke, the Trilateral Commission member who heads the parliamentary group of West Germany's Social Democratic Party (SPD), met in Rome on May 1 with the head of Italy's Communist Party controlled-trade union, and vowed to step up cooperation with the Italian communists to build a Europe which was "not a vassal of the U.S.A."

- Egon Bahr, the mastermind of the SPD's "opening to the East bloc," met in the state of Schleswig-Holstein with leaders of the East German district immediately across the border, and agreed to a joint call to "reverse the stationing of the U.S. missiles in Europe."

- German labor leaders are trooping to Moscow to plan "joint disarmament actions." A delegation of the SPD's Labor Council met with Soviet labor leaders at the end of April to plan a Moscow conference on "labor's international contribution to disarmament." Hans

Meyer, a leader of the giant IG Metall metalworkers union, also went to Moscow for this purpose, spending part of his stay in a monastery of the Russian Orthodox Church.

- A secret division of Moscow's Institute of the World Economy and International Relations is busy with the geographic and economic mapping of Western Europe, to determine which areas should be spared demolition during a Soviet attack because of their economic value, according to a report by a Soviet emigré living in Israel.

It is the failure of the Reagan administration to respond to ongoing Soviet pressure on West Berlin which has hastened the decoupling moves by today's Neville Chamberlains. The Berlin crisis has achieved the desired effect: Europeans are terrified by the fact that Moscow can go as far as it has, while the U.S. government pretends that no crisis is occurring. Moscow is saying to the Europeans in effect: "Better break with the United States and come to terms with our demands upon Europe."

If West Germany continues to move into the Soviet orbit, all of Western Europe becomes indefensible. In that case, the Middle East, where the United States has almost entirely lost its influence due to the manipulations of Kissinger and Ariel Sharon, falls totally under Soviet domination. All of Africa, and most of Asia, goes too.

The total industrial and agricultural capacity of Western Europe, combined, is approximately equal to the capacity of the United States. If West Germany goes in the direction which Moscow is proposing, the Soviet Union will buy from Western Europe whatever it chooses, at whatever prices Moscow offers, and on whatever terms of payment Moscow demands. If that happens, the United States itself becomes militarily indefensible at a rapid rate.

What is required is an unshakeable U.S. strategic commitment to the security and prosperity of Western Europe and the Mediterranean. Otherwise, the German trade unionists will soon find plenty of work—under the banner of the hammer and sickle.

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