

# EIR

Executive Intelligence Review

September 18, 1984 • Vol. 11 No. 36

\$10.00

The IMF squeeze play in Ibero-America  
Honecker vs. Moscow: A staged play  
Reagan caught in Kissinger-KGB trap

**Soviet 'diamat' and 'moles' in  
U.S. national security agencies**

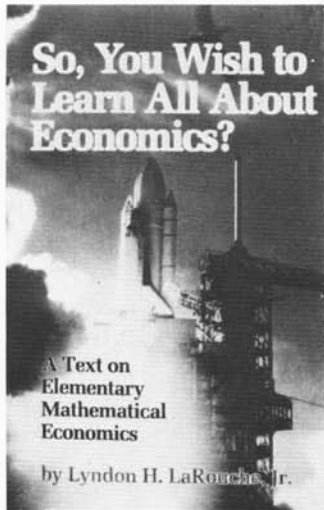


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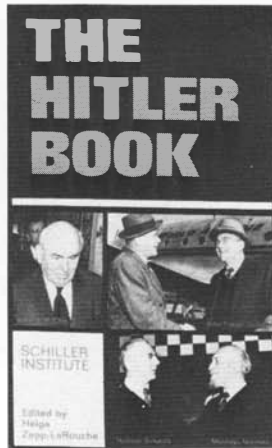
## By Lyndon H. LaRouche

and associates

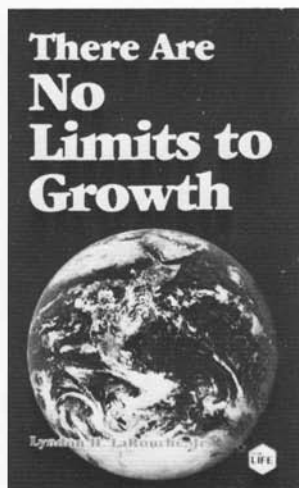
“The man Kissinger hates the most”



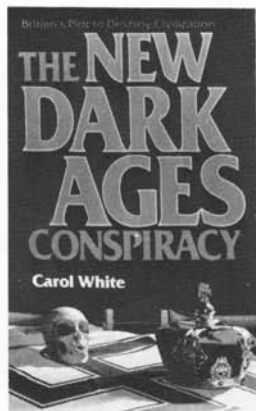
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Executive Intelligence Review (ISSN 0273-6314)  
is published weekly (50 issues) except for the second week  
of July and first week of January by New Solidarity  
International Press Service 304 W. 58th Street, New York,  
N.Y. 10019 (212) 247-8820.

In Europe: Executive Intelligence Review  
Nachrichtenagentur GmbH, Postfach 2308,  
Dotzheimerstrasse 166, D-6200 Wiesbaden,  
Tel: (06121) 44-90-31. Executive Directors: Anno Hellenbroich,  
Michael Liebig

In Mexico: EIR, Francisco Días Covarrubias 54 A-3  
Colonia San Rafael, Mexico DF. Tel: 592-0424.

Japan subscription sales: O.T.O. Research Corporation,  
Takeuchi Bldg., 1-34-12 Takatanobaba, Shinjuku-Ku, Tokyo  
160. Tel: (03) 208-7821.

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permission strictly prohibited. Second-class postage paid at New  
York, New York and at additional mailing offices. 3 months—  
\$125, 6 months—\$225, 1 year—\$396, Single issue—\$10  
Academic library rate: \$245 per year

# EIR

## From the Managing Editor

As we go to press, Marshal Nikolai Ogarkov no longer holds the post of chief-of-staff of the Soviet armed forces—a move announced in the middle of Warsaw Pact maneuvers in Czechoslovakia which Ogarkov was said to be personally directing from the Kremlin. One theory says he has been dumped, others that he is being promoted. But this is not a question of Ogarkov's personal future. The question is, what policy decision have the Soviets made? Do they intend to stage a strategic confrontation—or series of them—with the United States before the November elections, or after? Whatever the answer, it should be recalled that from 1968 to 1972—during the SALT talks—Ogarkov was in charge of the Soviet general staff's Office of Strategic Deception.

This week's cover story is a groundbreaking study of the East-West division which has produced the current threat of nuclear war. EIR founder Lyndon H. LaRouche, Jr. elaborates on the point that the "Third Rome" belief-structure of the Soviet oligarchy, rooted in Russian imperial traditions, signifies that the mystical Russian belief in a collective soul, and not Karl Marx, is the real root of Soviet "communism." This cultural matrix of Gnostic paganism, moreover, is not significantly different than the oligarchical outlook of our own Eastern Establishment, which equally hates democratic republicanism on that account. This is the nature of the enemy that would destroy America, from within, as without.

LaRouche also stresses that the Soviets feel pressured to act before a banking crash in the West might weaken the power over the U.S. government of Liberal Establishment banking institutions, and perhaps bring a more patriotic force to predominant power in Washington. Our *Economics* section reports on the coming showdown between U.S. bankers, the IMF, and the Ibero-American debtor nations, as government after government comes face to face with the reality that to continue even the current standoff around the debt, let alone to pay, means political and economic chaos, and the death of their nations. At some near point, the debt bomb must explode—or be reordered according to the principles enunciated in LaRouche's famous *Operation Juárez* document.

Finally, see *Economics* for extensive excerpts from "The document the U.N. wouldn't publish" for circulation by the Club of Life at August's Mexico City Population Conference.

Vin Berg

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## International Monetary Fund squeeze play in Ibero-America

by Nancy Spannaus

Deadlines are coming up fast in the Ibero-American debt negotiations, and chances are that the deadlock which has obtained between the International Monetary Fund (IMF) and major debtor governments will soon be broken, one way or another.

From the IMF's standpoint, the pressure is on to obtain political agreement once again from the debtor countries to stick within their austerity conditionalities—and continue to bail out the bankrupt U.S. and international banks with their economic lifeblood. Reportedly such agreements have already been reached with Mexico and Brazil, the two largest debtors. But looming on the horizon is still the seemingly eternal “pending” agreement between the IMF and Argentina—with the deadline for \$750 million of a \$1.1 billion short-term-interest loan falling due on Sept. 15.

Operating on the governments from the other side, however, are equally pressing constraints generated within their countries, in particular the demands of the labor unions and other nationalistic institutions that their economies not be dismantled. Major strikes against the IMF were held in both Argentina and Colombia the second week in September, and the political limits to the IMF looting process have begun to call into question other IMF suicide pacts such as that in Peru and Brazil.

Together these pressures are creating unbearable situations for Ibero-American governments, which must choose between putting their lives on the line by confronting their political bases and taking on the wrath of the IMF.

The most critical situation is that of the Alfonsín government in Argentina, which has sat on the fence between the IMF and politically powerful labor movement in that country for six months. How Alfonsín responds to the respective IMF and labor pressures will also have a major impact on the rest of the debtor countries on the continent. Argentina is the host country for the followup meeting of the Cartagena group, which convenes at Mar del Plata on Sept. 13 to discuss unified

action by the bloc of Ibero-American debtors.

It is the potential of this meeting for further consolidating an Ibero-American common market, and imposing its own conditions on the bankrupt IMF and international financial system, that gives the IMF, the Swiss gnomes, and Henry Kissinger nightmares. It is therefore to be expected that they will stop at virtually nothing to crush the effective political institutions of Ibero-America before that date.

### Will Alfonsín's government survive?

The uneasy truce which the Alfonsín government has had with the Peronist-dominated labor movement was broken when the trade unionists carried out a 24-hour general strike demanding higher wages on Sept. 3. According to knowledgeable Argentine sources, the Alfonsín government cannot last in its current form. Either the Radical Party leader decides to form a national unity government in combination with the nationalists who dominate the Peronist movement, or he will be forced to resign, throwing the country into chaos.

Despite his refusal to sign with the IMF during his term in office, President Alfonsín has in fact done nothing to change the disastrous economic policy of the previous administration. Interest rates in Argentina are now at a 700% annual rate; capital flight is out of control; frontier national industries such as the nuclear industry are being destroyed; even without the massive wage cuts that the IMF has unsuccessfully demanded of Alfonsín, the standard of living is being slashed.

The general strike, led by the CGT labor federation, demanded that the President implement “a cleansing of the brain which will lead us to think of Argentina, not from the standpoint of the monetary regulators from the IMF, who have damaged the lives of our populations for more than three decades, [but from the standpoint] of economic reactivation.”

Disregarding the message delivered by the strike, Finance Minister Bernardo Grinspun told the press that the CGT's mention of the IMF was “just an excuse,” and that a

future agreement with the IMF was "absolutely desirable." An IMF technical delegation was in Buenos Aires to get the message personally; they left for Washington on Sept. 4 in what the press called a "cautiously optimistic mood." The Argentines are scheduled to make another pilgrimage to Washington for negotiations during the second week in September.

A *Washington Post* editorial of Sept. 7 indicated the kind of inflexible "crush labor" mood which the Argentines are going to meet in Washington. After "the government itself acts to restore some degree of internal stability to the country," the *Post* writes, perhaps then the United States can help it out.

If President Alfonsín continues along the line represented by Grinspun, he will soon have no recourse but to resign. Then presidential power will be transferred to his vice-president, an individual distinguished by his role as head of the British-Argentine friendship society. There is little question that such a succession will prime the situation for the outbreak of total civil war.

Alfonsín does have available to him the option of allying with the Peronists, however. It is this option that we can expect Henry Kissinger to be doing his best to eliminate when he arrives in Argentina on Sept. 12.

## **IMF deals collapsing**

The IMF is also running into brick walls in other countries of Ibero-America, where the governments are finding it impossible to push through the full austerity program.

Indicative of the shift in mood was the vote of the Brazilian Senate on Aug. 30 to revoke wage-gouging law D.L. 2065, and once again give all workers indexed cost of living adjustments equal to 100% of past inflation. The IMF had insisted on law D.L. 2065 last September as a condition for reaching agreement with the Brazilian government. As *EIR* readers will recall, the law was only passed because the government quashed the opposition with the imposition of martial law in Brasilia.

This overturning of a key IMF condition is expected to be ratified in the Chamber of Deputies during the second week in September. If allowed to go into effect, despite the opposition of Finance Minister Delfim Netto and the IMF, it will halt a situation in which real wages of minimum-wage workers have been cut 12%, white-collar employees by 27%, and managerial level personnel by 34%.

It is not yet clear what effect, if any, this defiant act by the Brazilian Senate will have on the new accord reached between Brazil and the IMF on Aug. 28—a deal that was intended to cool off the situation between the bankers and Brazil while the IMF concentrated its fire on breaking the resistance in Argentina.

The IMF agreement with Peru is also in trouble, according to Peruvian Finance Minister Benavides, who said recently that Peru cannot meet the IMF guidelines on public deficit,

inflation rate, and so forth, and will miss some interest payments on the foreign debt for the third consecutive month. The finance minister asked for renegotiation of the five-month old agreement beginning on Sept. 23.

In Colombia and the Dominican Republic, the IMF is also becoming the leading political issue. On Aug. 30, more than 20,000 people joined in an anti-IMF rally in Bogotá, sponsored by the four trade-union federations.

## **A program for the Cartagena group?**

Will this sentiment against the IMF be taken up and answered with programmatic alternatives at the upcoming meeting of the debtor nations, the so-called Cartagena group? At the July meeting, the group strongly attacked the contradictions between certain usurious and destructive IMF policies and the development needs of the developing nations—but maintained their "request" for greater IMF aid. The current explosive political and economic situation allows for no such compromise.

The mood at the Group of 77 meeting held this week in Cartagena indicates a willingness to consider new institutions which might handle the crisis. A new "Bank of the South," jointly proposed by the G-77 and the Latin American Economic System (SELA), established and will begin functioning shortly with an initial capital of \$500 million. As explained by Colombian President Belisario Betancur, the bank will finance the "priority projects of the developing countries, especially those which, like regional and inter-regional trade, or multinational development projects, are a true means of unity and cooperation" among nations of the South.

Betancur took the occasion of this conference to lash into the looting policy of the "North," and to argue that through the creation of new institutions for regional cooperation, trade, and development, the "misnamed Third World could become the first political and economic power internationally . . . the most dynamic force in the world economy over the next 20 years."

"In the face of illiquidity and fiscal and financial deficits, the IMF prescribes its well-known readjustment and stabilization measures," Betancur said. But "when these formulas are applied with great discipline, and our countries make the effort to contract production, income, demand, and employment, greatly degrading already precarious living standards, we find that a myopic and egotistical one-point increase in the interest rates on the debt erases the effects of such a sacrifice in a single blow. . . ." Betancur also elaborated once again the scandal in which Ibero-American countries have become "net-exporters of capital," he said, transferring more than 2% of their GNP to the industrialized nations.

Betancur is correct in stating that this situation is neither necessary, nor stable. Whether he and his fellow Ibero-American Presidents are ready to establish the kind of debtors' cartel and common market that will stop it, however, is not yet clear.

# What Ibero-America is saying on the debt

*Excerpts from a declaration of the Argentine CGT labor federation on the eve of its first declared general strike against the Alfonsín government Sept. 3, 1984:*

[We propose] the formulation of a great appeal in the style of a national referendum to say no to the country's financial interests and to affirm our readiness to reconstruct the productive nation of which we are all a part. . . . [We ask the government why] it assumes all the risks without attempting a drastic change in the philosophy that has led us into these straits, pressured by the demands of the world financial groups and economically abandoned by those governments which pretend friendship but which demonstrate their true and affectionate friendship with the International Monetary Fund. . . .

[The CGT urges] 1) defeat of the financial interests, putting an end to monetary speculation; 2) recognizing that wage is the personal property of the worker . . . and the role of the State is solely to act as arbiter to assure justice and equality; 3) returning bank credit to its original role as a public service and promoter of production. . . . 6) subordinate all financial urgency or commitment to fulfilling the reactivation of the nation's productive apparatus. . . .

*Excerpts from a speech by Colombian President Belisario Betancur before a seminar on "Development Alternatives for Latin America," given in Cali, Colombia on Aug. 30, 1984:*

The explosion of the foreign debt bomb could put an end to the economic and political stability of numerous countries while endangering the solvency of some of the largest private banks in the world. . . .

Given the limited resources of the region, I think that well-chosen foreign capital (that which brings technology and leaves it, which allies with domestic capital and complements it, and which creates new jobs) can be a positive force, generating foreign exchange and the already mentioned

transfer of new technologies. Under present circumstances, these kinds of projects can contribute more to the economy than foreign credit. . . .

If the region had obtained adequate terms of trade, normal interest rates, and free access to the markets of the industrialized nations, the debt problem would be entirely different, and we would not glitter today as net exporters of capital, a situation which is clearly unsustainable, however much of an honor it would be for us to continue helping the U.S. meet its fiscal deficit.

*Excerpts from document submitted by the Colombian UTC labor federation to the meeting of the International Regional Organization of Labor (ORIT) in Mexico City during the week of Aug. 19:*

We are convinced that the unity of the Latin American labor movement is the cornerstone for changing the current direction of the crisis. The governments of our republics have taken very important steps toward the formation of a debtors cartel, which would bring about the collective renegotiation of the foreign debt. . . . All of these courageous efforts toward the process of continental integration have not, however, been enough. On the contrary, what has occurred are the threats made against our leaders, a multitude of divide-and-conquer tactics that the international bankers have attempted to carry out. . . .

It is worthwhile at this time to refute the fallacious arguments that the bankers have presented to throw upon our shoulders the blame for the debt crisis. They say that we were irresponsible, that the debt grew through the simple corruption of our leaders, that we were too ambitious in our programs and that there was supposedly too much industrialization of our countries. The reality is that . . . the debt crisis is the result of a deliberate policy of speculation on the part of the international banks. . . . The increases in interest rates since 1979. . . . The campaign of press and financial manipulation that provoked capital flight. . . . The campaign of forced devaluations by the International Monetary Fund. . . .

There is still time to save our nations. Despite the looting, despite the usury, the continent has a basic wealth which has not been destroyed, and that is its working class. The only real option to solve the debt problem is to suspend payments on the debt, at least until our economies become truly productive again and recuperate from the incredible speculative looting to which they have been subjected. . . .

This time, action must be taken continentally, so that the power of our republics will be felt. The millions of workers, many of them unemployed, are the basic wealth that will enable our nations to recover. We must simply put them to work producing wealth through great joint industrial projects, with technology to produce more and cheaper food in the countryside, using the resources of the region for industrialization and developing science and capital goods.



# East Bloc bankers setting their sights on the Euromarket

by William Engdahl and Laurent Murawiec

In the midst of an unprecedented military and political blackmail of Western European governments by Soviet and Warsaw Pact forces, Moscow has quietly put into place an extremely significant series of financial arrangements which provide them vital economic warfare capability suitable to the strategy of decoupling Western Europe—militarily, politically, and financially—from the United States in coming months.

In recent weeks, these financial moves have developed principally out of Moscow and Budapest, with the latter now being sold openly in the West as a new “Swiss-style” banking center. Under the veil of so-called economic liberalization, the former financial center of the Austro-Hungarian Empire is being readied as an essential channel for enormously increased and highly select East-West financial linkages. Only this time, unlike during the so-called *détente* period of the 1960s and early 1970s, the banking institutions will deliberately exclude American-based banks.

On Aug. 29, Moscow Narodny Finance, the London subsidiary of the Russian state-owned Narodny Bank, surprised many Western banking circles when it entered the Western Eurobond market for the first time in history. Although the initial amount is relatively small, \$50 million, it opens an entirely new and potentially significant credit linkage between Moscow and Western European financial institutions. Clearly tongue-in-cheek, a spokesman for the bank in London called it, “very much a toe in the water for us.”

Narodny Bank’s first bond notes are for a seven-year term, and have been priced in the Western markets at an astonishingly favorable  $\frac{3}{16}\%$  above the London interbank borrowing rate. Including added commissions, this means that Moscow is now able to borrow at only  $\frac{1}{4}\%$  above what preferred major banks in the West can borrow for. The Western bank which is heading the consortium of banks selling the Moscow bonds is West Germany’s largest commercial bank, Deutsche Bank of Frankfurt. This same bank, for some years one of the most aggressive in pursuing ties with Moscow and the East bloc, was also the lead bank financing the extraordinarily generous and highly controversial Soviet-West German natural gas pipeline from the Soviet Urengoi, despite extreme pressures from the Reagan White House two years ago. In one month, the first deliveries of that Siberian gas

will come into the system of Ruhrgas in the heart of West Germany’s industrial steel belt.

The eagerness of select West European banks such as Deutsche Bank to enter this long-term relationship with Moscow at this time of unprecedented East-West tension, is a clear and rather brazen political signal from the European financial oligarchy: They are willing to cast their lot in the coming period for increased financial dependence on East bloc loans while cutting essential ties with regions such as Ibero-America and Africa.

## Record levels of borrowing

For its part, according to a number of informed European financial sources contacted by *EIR*, Moscow is maximizing its liquidity through an extraordinary increase of borrowings on Euromarkets in recent weeks, the kind of thing one would do prior to an expected financial collapse. One leading West German bank spokesman commented: “It’s funny. The Russians don’t need these funds. They’ve got huge amounts of cash available. They’re restructuring their maturity profile to longer term. For example,” he continued, “the Russians asked our bank to arrange a Euro-financing, which we did. They then got the funds from us and promptly turned around and deposited them in our bank!” A Russian banker told the West German, “This policy [of maximizing liquidity] is costing us a lot of money.”

Over the past period, such Soviet borrowing has soared to record levels. In the two-month period from mid-May to mid-July, the Russians were borrowing on Western credit markets at a staggering annualized rate of \$8 billion. This is fully double the previous peak of 1979, just before the events in Poland and Afghanistan chilled such East-West borrowing.

The second major and highly secretive area of Soviet financial ties with the West which has become increasingly significant involves complex barter and counter-trade deals which by nature remain largely outside the official East-West trade statistics. Counter-trade is the increasingly common practice of using bartered goods as part of an international trade transaction. Moscow is currently carrying out sophisticated tri-level “counter-trade” and barter deals according to reports from a number of authoritative sources. Recent trade has involved significant covert, or “black,” purchase of OPEC oil, including from such normally pro-Western producers as

Saudi Arabia and Kuwait. These barter deals are made outside the domain of the OPEC production ceiling. In return for giving their oil to the Soviets, the OPEC suppliers get Soviet arms or soft-currency goods. The Russians then take this same OPEC crude (they are not OPEC members) and dump it onto the European spot trading market, through a series of small cut-out trading houses in Switzerland, London, and other trading centers. This puts further downward pressure on OPEC prices in a period of chronic and worsening underconsumption. In return for dumping OPEC crude on the West, Moscow gets large amounts of dollars which are reportedly being used to purchase record amounts of Western—primarily U.S.—grain through Cargill, Bunge, André and the major Swiss-linked grain-cartel group.

The third, and as yet least appreciated area of major financial development, is the transformation of Hungary into a Swiss-style secret “offshore” banking center. The process began almost a year ago when the Hungarian government approved a series of dramatic financial changes designed to attract foreign depositors. According to an Aug. 26 interview in Denmark’s *Berlingske Weekendavis* with the president of one of the Hungarian banks involved, Antal Beszedes of the OT Savings Bank, Hungary is offering secrecy and tax advantages better than Switzerland. “Our conditions,” the banker stressed, “will be much better than the Swiss for accounts of foreigners. In Switzerland, there is a 30% tax on interest. We will have no tax.”

The Budapest banker also stressed that whereas Switzerland has an agreement with the United States to disclose information on private numbered bank accounts in certain criminal cases, Hungary will make no such agreement. This is an obvious green light signal to certain Western “black money” sources to use the Moscow-controlled Budapest banking center for certain operations without fear of disclosure.

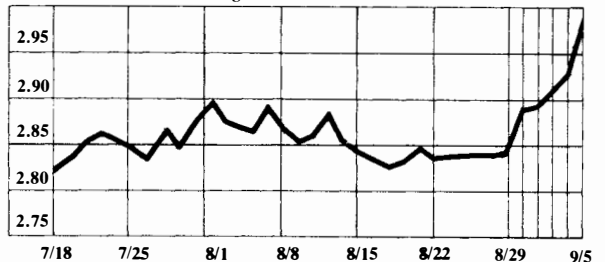
The list of European banks intimately tied to the new Hungarian offshore banking suggests that this is part of some kind of deal between Moscow and the financial families of the *Mittleuropa* oligarchy.

The bank being used to facilitate the Hungarian offshore game is called the Central European International Bank. This new creation is a consortium in which the Hungarian National Bank owns 34% of the East-West institution. The remaining 66% is held in six equal blocks of 11% each. The holders include the Italian Banca Commerciale Italiana, the Union Bank of Bavaria, the Kreditanstalt-Bankverein of Vienna, and Société Générale of Paris. The remaining is held by two Japanese banks, Taiyo Bank, and Long-Term Credit Bank of Japan. The Union Bank of Bavaria is known to be controlled by the enormously wealthy Thurn-und-Taxis family of Regensburg, a leading advocate of accommodation with Moscow as the “Third and Final Rome.” The family is known to control the largest private fortune in Central Europe, and perhaps the world.

## Currency Rates

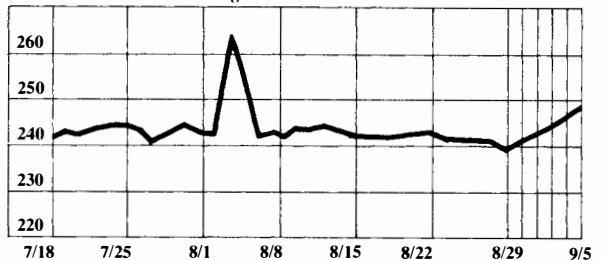
### The dollar in deutschemarks

New York late afternoon fixing



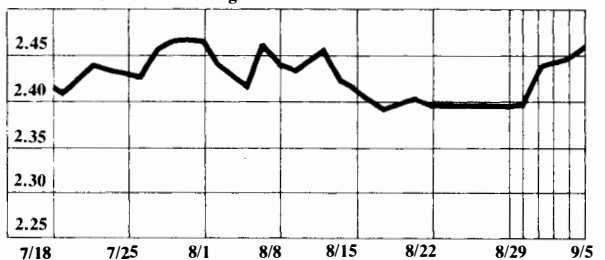
### The dollar in yen

New York late afternoon fixing



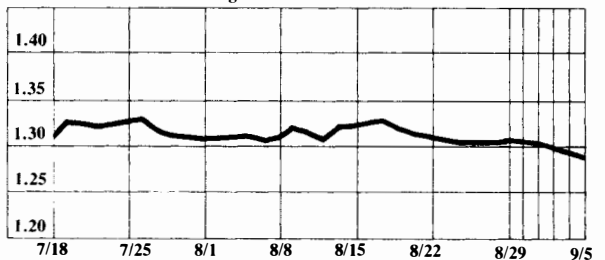
### The dollar in Swiss francs

New York late afternoon fixing



### The British pound in dollars

New York late afternoon fixing



# Budget cuts threaten the Landsat system

by Marsha Freeman

In 1979, then-President Carter decided to start the process of turning the U.S. Earth remote sensing system over to the private sector. This policy, accelerated by the Reagan administration, has already cut the use of Landsat data three-fold, and threatens to sabotage the U.S. remote sensing system.

Earth remote sensing, in conjunction with satellite weather forecasting, has saved millions of dollars and thousands of lives in the past 12 years. Now, due to budgetary constraints, these two systems are now functioning with half the number of satellites needed for comprehensive coverage, and increasing competition from overseas threatens to add remote sensing to the growing list of U.S.-developed technologies that will be taken over by superior foreign competition.

### Remote sensing

Remote sensing is a way of using sensors to gather information from great distances. Sensing instruments aboard aircraft still provide information to farmers on the state of crops today, but the use of satellites in Earth orbit permits large-scale coverage, regardless of the weather, covering the entire globe in a brief period of time.

Since 1972, NASA has launched five polar-orbiting Landsat satellites which return to the same place over the Earth once every 18 days. With two satellites, the same area can be photographed once every nine days.

The instruments aboard Landsat-5 can "look" at the Earth in a variety of wavelengths, including the non-visible infrared, and can provide data on crop growth, disease, hydrology, and environmental stress. Landsat data is used for mineral exploration, forest inventory, urban land planning and management, earthquake prediction, snow cover and flooding prediction, and has the potential for hundreds of other uses of great importance.

Dozens of developing nations that could not economically gather information about their countries in any other way have made significant investments to be able to use Landsat data.

Decisions based on the idea that remote sensing should be "commercialized" so that it does not have to be paid for by the federal government has produced a situation in which there is only incomplete Earth coverage due to unexpected satellite failures.

The early demise of Landsat 4, after only one year in orbit, required the early launch of NASA's only spare. A similar no-spare situation in the National Oceanographic and Atmospheric Administration's (NOAA) weather satellite program has left the United States with only one meteorological satellite over the country since July 29, and a replacement satellite will not be ready for launch until 1986.

### Budgetary sabotage

Budget cut-backs under the Reagan administration in 1981, in the amount of \$103 million, eliminated the funding for the next two follow-on satellites, under the guise of private sector ownership by the time the satellites were projected to be needed in the late 1980s.

Though the Congress went along with Landsat commercialization, they made clear that the government would assume responsibility for both a continuity of remote sensing data and research and development in more advanced technologies.

The most unconscionable budgetary sabotage of the Landsat program was the Office of Management and Budget's (OMB) decision a couple of years ago to make users pay for the full cost of operating the ground data collection stations and for processing the data.

This has brought about a tripling in the price for a Landsat image, with a concurrent three-fold drop in sales. This year, the Department of Agriculture, which has been the largest government Landsat user at a level of about \$7 million per year, is budgeting *nothing* for the purchase of this data.

This budget madness has helped *shrink* the market for Landsat data, just at the time that the private sector is supposed to commercialize the technology and make a profit—which can only occur if the market expands.

### The competition

In January 1985, France will start the deployment of its SPOT remote sensing system. SPOT's 20-meter resolution will offer increased accuracy to users, and its pointable sensor array will enable repeat observations in quick succession.

By 1990, Japan plans to have an operational Earth Resource Satellite, using advanced radar technology, and the Soviets already have an operational system which is offering data to the developing sector.

The United States pioneered remote-sensing technology as soon as the space program was technically ready to implement that program. Through past and current budget policies, the United States is in the process of wrecking the system it created, and could end up being eclipsed by other nations who are committed to develop this unlimited technology.

# Manatt grabs Iowa farmland under cartels' plan to bankrupt farmers

by Marcia Merry

The official deed books of title to Iowa farmland reveal in black and white that Charles "Banker" Manatt—chairman of the Democratic Party, whose presidential candidate is a self-styled "friend of the family farmer"—has been systematically buying up Iowa farm acreage at distress sale prices in at least two counties. Investigations to date reveal that he owns at least 2,000 acres in his own name, and probably more through fronts and partners.

Manatt, whose father farmed in Iowa, is not simply buying up a "bit of the old sod" for nostalgia's sake. He and many other money-men from out-of-state are circling over Iowa like carion crows over a carcass. For example, farmers report that Manatt swooped down on the farm of Bernard Christiansen in Audubon County and "bought it up dirt cheap" at a foreclosure sale.

Manatt's overnight gentry status is now on display. September 8 is "Charles Manatt Day" in Audubon, Iowa, where he is visiting for party fundraising. A deal is offered to the locals: For a \$10 contribution you can enter the countryclub and watch Sir Charles golfing.

Manatt has zeroed in on Iowa to take personal advantage of the national farm bankruptcy crisis which farm "experts" in the Manatt-Mondale circles have been planning as part of their blueprint for totally transforming the basis of American agriculture into a mass of poor tenant farms amidst large landholdings, contract agriculture, and conservation preserves.

## The farmbelt crisis

Iowa is one of the top farm states in the nation, the very center of the world in terms of corn and hog output. However, the state is on the way to becoming a "former" agricultural center. Farm auctions and foreclosures are taking place daily. At least 40% of the farmer or independently owned cattle feed lots have closed down. Quad Cities—the four famous farm implement and machinery manufacturing towns straddling the Iowa and Illinois border—looks like a ghost town. John Deere Co., the farm equipment manufacturer, and other companies have laid off thousands. Farmers cannot replace their equipment.

Farmland values are plunging. As of June 1 this year, according to Federal Land Bank figures, farmland value in Iowa declined 8.8% over the year previous; and 16.9% from

the year before that. The picture is the same in the adjacent states, Minnesota, Illinois, and Nebraska.

A bankruptcy avalanche is set to take place this fall. At least 10% of the farmers in this region, who account for 25% of the total farm debt of the region, amounting to several billion dollars, have a debt to asset ratio of 70:100 or worse. These farmers are not expected to receive loans for another planting and are vulnerable to any slight disturbance in the banking system. An additional 18% of the farmers have a debt to asset ratio of between 40:100 and 70:100. They are all losing net worth.

## The national farm crisis

What is happening nationally is that the core of the 100,000 middle-size, independent family farms which account for nearly 50% of the nation's food supply are being driven out of existence. Officially, there are about 2.4 million farms in the United States—but that counts everything from a few acres with a chicken to a giant dairy-herd factory in California. The range of middle-size farms, 50 to 999 acres, with an average income of \$50,000 to \$200,000, are the backbone of the American farm output and food supply.

A Bureau of the Census report released in September says that already by the year 1982, the number of such medium-size farms had significantly declined. Since then, the decline has worsened. The average size of the American farm dropped from 449 acres in 1978 to 439 in 1982. Small farms of 50 acres or less grew by 17% during that time. These latter are "grub hole" operations where farm family members have off-farm jobs to pay for the losses of farming.

At the other end of the spectrum, "vertically integrated" cartel agriculture is spreading, as independent farmers are pushed out of the picture. In some cases, these are huge cartel-incorporated farm "factories." In other cases promoted by the cartels, the farmer retains his highly indebted land, equipment, and buildings, but he is locked by contract into production cycles controlled by the cartels, which supply him the seed, the fertilizer, the feeder animals, etc. The farmer then has to sell back to the same cartel company the crop or market animal at any price the cartel sets. The farmer's gross may appear large, but he is always forced to operate at a near loss or worse.

The cartels involved in this include Cargill, Continental

(for example, through its Wayne Poultry division), and some agribusiness giants like Ralston Purina, which has gone into contract hog farming.

The point man for the international cartel policies is Orville Freeman, Secretary of Agriculture under Kennedy and Johnson, and now chairman of the advisory board of the Cargill-backed Hubert Humphrey Institute of Public Affairs. Mondale is an associate of this institution. In the Reagan administration, this same Freeman circle includes Henry Kissinger, an associate of the Hubert Humphrey Institute, and Undersecretary of Agriculture Daniel Amstutz, a 25-year Cargill executive.

Freeman and his circle are issuing policy statements advocating the "restructuring" of farming in the 1985 federal farm bill. He advocates contract farming—sharecropping—like Green Giant vegetable production, or United Brands' banana-republic operations.

Freeman's collaborators include Martin Abel, of the agriculture consulting firm, Abel, Daft, and Early. Abel and Lynn Daft, who is Mondale's official farm policy adviser, have just done a study published by the Curry Foundation—headed by Charles Curry, former Democratic Party national treasurer under Charles Manatt. The study, "Future Directions for U.S. Farm Policy," cites the "trifurcation" problem of farm sizes, in which the middle-size farmer (gross sales between \$20,000 and \$200,000, producing about 44% of all food) is feeling "financial stress." Daft and Abel advocate doing nothing about it. They say, "though Congress has begun to focus on the financial stress problem, it is unlikely that they will enact legislation in 1984."

In a recent speech by Freeman, "Comparative Advantage in an Interdependent World: The Need for a Realistic Agricultural Policy for the U.S.," the need for "supply reduction mechanisms" is stressed. His circle intends to make certain that the independent family farmer becomes extinct.

### The conservancy swindle

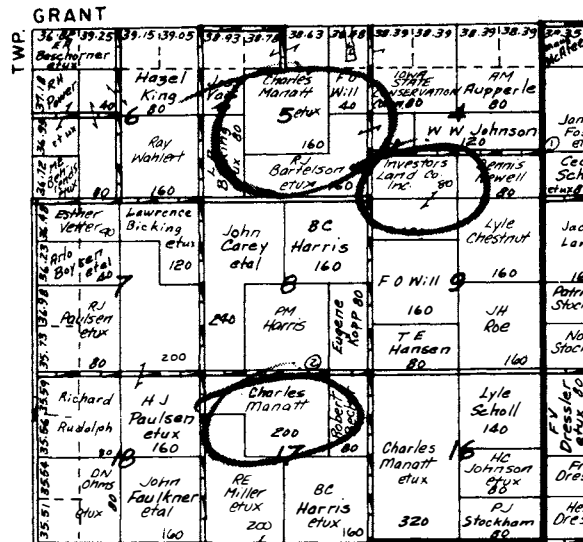
Among the institutions which collaborate with Freeman and the grain cartel companies are the conservation front groups—which have profited ownership of farmland to determine how independent family farmers can be dispossessed.

In Iowa, Nature Conservancy of Washington, D.C. is buying up farmland and "holding it" until the Iowa state Conservation Commission can buy it from them (at a tax write-off profit to the Conservancy gentry membership). As shown in the accompanying deed book of title to two counties in Iowa, one of the Manatt holdings is proximate to some Iowa Conservation Commission land. Manatt may be able to surround himself, like a British lord, with lands held "in the public trust."

The national Conservation Foundation is the mother group to these rural gentrification swindles. In 1981, it published a book on who owns America's 1.3 billion acres of rural lands. The American Farmland Trust, a spin-off of the Conservation Foundation, published the book, *The Market for Rural Land: Trends, Issues, Policies*, which is addressed to "regional planners, appraisers, rural landowners, and public officials, and all who are concerned with protecting the beauty and productivity of the American countryside." Think of lovely Iowa, when the farmers are all gone.

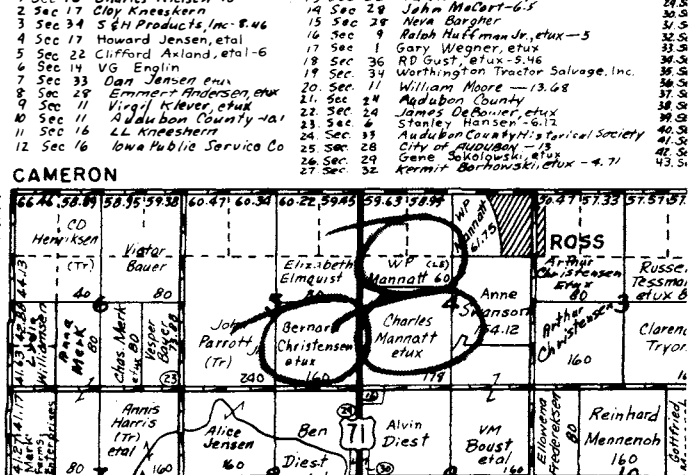
# LINCOLN

T 76 N - R 34 W OF 5TH P. M.



# LEROY

T 80 N - R 35 W OF 5TH P. M.



Farm land bought by Democratic Party Chairman Charles Manatt at distress prices.

# Club of Life white paper: 'How to stop global depopulation by the year 2000'

As we reported in our Sept. 4 issue ("The U.N. population conference: Dare call it genocide!"), the Club of Life submitted a white paper refuting the arguments of the population control lobby to the Aug. 6-13 Second International United Nations Conference on Population held in Mexico City. That document was suppressed by the U.N.'s Non-Governmental Organizations bureaucracy, whose spokesman, Virginia Saurwein, argued that its contents "might offend" some conference participants. Nevertheless, the document circulated widely, particularly among those delegations that had not yet accepted the Malthusians' insistence that they give up their battle for a high-technology economic growth policy, and instead kill off their own people. The Club of Life's charges received widespread coverage in the Mexican press. We publish here excerpts from that suppressed document.

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## Genocide one hundred times worse than Hitler

It is the sober estimate of the Club of Life that the policies of the International Monetary Fund (IMF) and World Bank, along with the international "population control" lobby, can be demonstrated to have *already* been responsible for killing *ten times* the number of people murdered by Adolf Hitler. In a very short period of time that level could reach 600 million—100 times Hitler's death toll.

We can take a guidepost from a statement made by leading member of the genocide lobby Orville Freeman at the 1982 Woodlands Conference on Sustainable Societies. Freeman, who was U.S. Secretary of Agriculture under Presidents Kennedy and Johnson and is a long-term insider in the population lobby, reported that world conditions in 1982 were "similar to 1972-73 when 500 million people died of malnutrition and starvation."

If that many people died in one year of severe crop failures and drought, can less than that number have died over the *full decade* of depression which the world has suffered since?

Over the past decade the world's nations have been deliberately suffocated by a combination of usury, underpaying for raw materials, denial of high technology imports, and genocidal "conditionalities," usually imposed by the IMF. That process has taken its greatest toll in Africa—where food production per capita has gone down, diseases such as malaria are expanding, and entire countries are on the verge of

extinction. This *devolution* has not yet succeeded—according to any statistics available—in an absolute *decrease* in population. But it has reduced the rate of decline of mortality, so that that rate stands at *almost double* that in the (formerly) industrialized nations of the United States and Western Europe. Yet Africa, with a population less than half a billion for the entire continent, is the area about which the population lobby screams the loudest about "overpopulation."

This policy puts the population lobby in the tradition of the emperor cited by Pope Paul VI: faced with the news that his kingdom did not have enough hats for all his subjects, the emperor called for the beheading of the "excess" population.

Let us take a heuristic device from the U.N.'s own statistics to approximate the scale of outright murder that has occurred since 1974. Our starting point is the "death differential," the difference between the crude death rate in the "Third World" nations and that in the industrialized world. If the development policy outlined at various U.N. conferences, including Bucharest [the 1974 First International Conference on Population—ed.], had been implemented, there should be no such differential. Yet the so-called crude death rate in sub-Saharan Africa still stands at 17.7/thousand—compared to a rate of 9.1/thousand in the industrialized world. That is a difference of more than 8 individuals per thousand—totally unnecessary, deliberate deaths.

If this differential is multiplied by the populations of only the 24 most famine-ravaged nations of Africa, one comes up with a most conservative figure of *11,790,000* (nearly 12 million) deaths over the decade of 1974-84!

By extending this rule of thumb to other regions of the world—including accepting some of the most unbelievable figures about crude death rates—the death toll from the combined area of Africa, South Asia, East Asia (not including China), and North Africa and the Middle East, amounts to a death differential of *nearly 72 million people over the decade!*

This figure omits the deaths from starvation and malnutrition occurring in areas whose reported "crude death rate" is now less than that in the United States—especially Ibero-America. Countries like Bolivia and Colombia have reported infant mortality rates anywhere from 5 to 20 times that of the industrialized countries. In places like Mexico and Brazil, "middle income" countries under the diktat of the IMF, that rate is rising rapidly—thanks to the IMF-mandated cutbacks in health care, sanitation infrastructure, and food production for the domestic market.

We should also add into the death toll the fact that individuals in Africa have a life-expectancy of nearly 30 years less than that of the advanced sector. While the U.N. has had a goal of raising average life expectancy in the Third World to 62 years by 1985, it has now proposed to *lower* that level. Can this be called anything less than accession to genocide?

The figure also neglects the extensive murder of infants—both born and unborn—now going on in China.

In reality, one should add to those who died due to deliberate denial of development, the millions who were prevented from being born by sterilization, abortion, and other anti-natalist policies. As indicated in U.N. documents, the annual world population growth rate between 1975-80 was now 1.7%, down from 1.95% over the 1965-70 period, and the real increase in population was 75 million individuals a year between 1975-80. If the rate of annual growth had remained at 1.95%, however, the yearly growth would have been 86 million people a year, or 11 million more. Calculate this over the five-year period of 1975-80, and we're talking about a minimal toll of 55 million, going up over 100 million by 1984. We are indeed getting close to one hundred times worse than Hitler. . . .

### A lobby for genocide

It doesn't take much looking to find that the Population Lobby, its founders and its current leaders, are sincerely committed to mass murder of black, brown, and yellow people. After all, the East India Company—infamous for its slave trade, massacres and other oppression in India and the United States—was the employer of Parson Malthus.

It was while working at the East India Company's Hailysburg College that Malthus developed his fraud that population growth must outstrip agricultural growth—unless population be checked by pestilence, famine, or war. For those who feared these "natural disasters," he offered another measure—voluntary "population control" all the way from sterilization to euthanasia to birth control.

It was up to Malthus' successors, Darwin and Galton, to make explicit that it wasn't just the poor, but also the "inferior races," who had to apply this remedy. This is the very same motive that leads population agencies like the International Planned Parenthood, the Population Council, and the Draper Fund to concentrate on reducing Third World populations today.

The eugenics movement founded by Galton, Darwin, et al. began to flourish in the second half of the 19th century, but not always under its own name. Some of its devotees went into the mental hygiene movement, others into environmentalism, and others into birth or population control. Who were the sponsors of this multi-named, but singlemindedly genocidal movement? The racist oligarchy of Great Britain and its allies!

The leading representative of this oligarchy, the most evil man of the 20th century, was Lord Bertrand Russell. Russell

was violently anti-capitalist, anti-nation state, and anti-human. He put it this way in his *Prospects of Industrial Civilization* (1923):

Socialism, especially international socialism, is only possible as a stable system if the population is stationary or nearly so. A slow increase might be coped with by improvements in agricultural methods, but a rapid increase must in the end reduce the whole population to penury. . . . The white population of the world will soon cease to increase. The Asiatic races will be longer, and the negroes still longer, before their birth rate falls sufficiently to make their numbers stable without help of war and pestilence. . . . Until that happens, the benefits aimed at by socialism can only be partially realized, and the less prolific races will have to defend themselves against the more prolific by methods which are disgusting even if they are necessary.

Russell was particularly concerned to dispense with modern agriculture, the technological advance that allowed for a rapid increase in population. To him industry and agriculture "waste the world's capital of natural resources." Hence, when bad times come—a condition he considers inevitable—"it must be inferred that industrialization characteristic of the last 150 years will be rudely checked."

Did Russell realize this meant depopulation? He sure did. In his 1951 prospectus for genocide, *The Impact of Science on Society*, he wrote:

But bad times, you may say, are exceptional, and can be dealt with by exceptional methods. This has been more or less true during the honeymoon period of industrialism, but it will not remain true unless *the increase of population can be enormously diminished*. At present the population of the world is increasing at about 58,000 per diem. War, so far, has had no very great effect on this increase, which continued throughout each of the world wars. . . . War . . . has hitherto been disappointing in this respect . . . but perhaps bacteriological war may prove more effective. *If a Black Death could spread throughout the world once in every generation, survivors could procreate freely without making the world too full* . . . The state of affairs might be somewhat unpleasant, but what of it? Really high-minded people are indifferent to happiness, especially other people's. . . . (emphasis added)

Russell was no isolated crank. His role as godfather of a whole series of pacifist, "liberal," international organizations is well known. In the same way he speaks for the thinking of the entire Western oligarchy—as the coincidence of his ideas with those of Club of Rome head Alexander King, Bank for International Settlements head Fritz Leutwiler, and former World Bank head Robert McNamara shows.

Alexander King, currently head of the Club of Rome, and formerly an official of the OECD, thinks like Bertrand Russell. King believes, as he said in an interview in June 1981, that “the thing to be feared is that the white world as we know it, including the U.S.S.R., could become a very highly militarized ghetto of the rich, armed with sophisticated weapons, and surrounded by a world that is overpopulated and hungry.” King’s solution? Reduce the population in the Third World!

The international bankers think in a similar manner. We quote only one example of their outlook, which was documented in a Club of Life White paper issued in February 1983. We quote Professor Herbert Giersch, a member of the Institute for International Economics in Washington, D.C. and the Mont Pelerin Society:

Third World countries have lived too long on the illusion of cheap capital. It was manna coming down from heaven, under the form of concessional lending, aid, low interest rates, and this was usually wasted on prestige projects, capital-intensive activities, very long-term payoff projects, a great roundaboutness of production. . . .

The main problem in the LDCs is that, this populist pressure has led them to an *overvaluation* of the human factor. They all thought that the future was bright and cheap! So they refused and they refuse to defer present consumption. They put too much of a claim on the present. All these countries are in a mess.

We should put a big pressure on them, the LDCs. They must abide by the conditionality of IMF loans. They must reduce the claim of the present generation on resources. They must lower wages, incomes. You have to be firm with such countries, not permissive. The Group of 77 will break down as a result of debt. Some LDCs seem to have started to learn their lesson. . . .

### **The Hitler model**

From the mentality of a Russell, and his circle of British degenerates such as Julian and Aldous Huxley, H.G. Wells, and Aleister Crowley, enforced by the financial power of the British bankers, came Hitler’s fascism itself. Just as the “more prolific races” were slated for destruction by Russell, so the Jews and Slavic races were treated by Hitler. The justification—lack of sufficient food and other resources for the entire population—is just the same as that of the population lobby today.

A 1941 directive by Goering laid out the following policy for the Russian occupied farm territory:

The German Administration in these territories (the directive declared) may well attempt to mitigate the consequences of the famine which undoubtedly will take place and to accelerate the return to primitive agricultural conditions. However, these measures will

not avert famine. Any attempt to save the population there from death by starvation by importing surpluses from the black-soil zone would be at the expense of supplies to Europe.

Goering’s attitude was also expressed as follows, in a statement to Italian foreign minister Ciano:

This year between twenty and thirty million persons will die of hunger in Russia. Perhaps it is well that it should be so, for certain nations must be decimated. But even if it were not, nothing can be done about it. It is obvious that if humanity is condemned to die of hunger, the last to die will be our two peoples. . . . In the camps for Russian prisoners they have begun to eat each other.

Is there any objective difference between this point of view, and that of those who refuse to send the credit and physical resources into Africa to prevent mass starvation of more than 20-30 million people? We think not.

The denial of advanced technology, including “expensive” health care and technologies that require education, to the Third World also had its analogue in Hitler’s policy. An official in Rosenberg’s ministry put it this way, in a letter written in 1942:

The Slavs are to work for us. In so far as we don’t need them, they may die. Therefore compulsory vaccination and German health services are superfluous. The fertility of the Slavs is undesirable. They may use contraceptives or practice abortion—the more the better. Education is dangerous. It is enough if they can count up to 100. . . . Every educated person is a future enemy. Religion we leave to them as a means of diversion. As for food they won’t get any more than is absolutely necessary. We are the masters. We come first.

Lest one think that Hitler personally did not think of “population control” in this way, we quote his own view on July 22, 1942, as reported in the book “*Hitler’s TableTalk*”:

I recently read an article from the pen of some Herr Doktor advocating the prohibition of the sale in the Occupied Territories of contraceptives. If any criminal lunatic should really try to introduce this measure, I’d soon have his head off! In view of the extraordinary fertility of the local inhabitants, we should be only too pleased to encourage the women and the girls to practice the arts of contraception at all times. Far from prohibiting the sale of contraceptives, therefore, we should do our utmost to encourage it. . . .

In all seriousness, however, there is a very real danger that these local inhabitants will increase too rapidly under our care and domination. Their conditions of life will inevitably improve under our juris-



diction, and we must take all the measures necessary to ensure that the non-German population does not increase at an excessive rate. In these circumstances, it would be sheer folly to place at their disposal a health service such as we know it in Germany; and so—no inoculations and other preventive measures for the natives! We must even try to stifle any desire for such things, by persuading them that vaccination and the like are really most dangerous!

The fact that Hitler resorted to even more drastic measures of depopulation should not obscure the philosophical agreement he has with the population lobby today. The cheaper the means of reducing population, the better—that's the Nazi doctrine.

### **Birth control means genocide**

The birth control movement itself was begun by Annie Besant, the well-known Theosophist cultist, in Great Britain. Besant was a leading member of the London Neo-Malthusian Society, beginning in 1861. She began the first birth control clinic in Holland in 1879.

It was at Besant's side that Margaret Sanger, the founder of the U.S. birth control movement, studied both the theory and practice of Malthusian genocide. In 1916 Sanger returned to the United States to found the New York Birth Control League, and then the Birth Control Review. The Birth Control League was later to become Planned Parenthood.

The Birth Control Review was openly racist. On its masthead was the slogan: "Birth Control: To Create a Race of Thoroughbreds." It opened its pages to Nazi spokesmen such as Nazi doctor Ernst Rudin. Contributor Will Durant published an article in the Review which said that birth control was the only way to stop the "so-called yellow peril . . . so as to decrease the quantity of people whose unchecked reproduction threatens international peace."

Sanger's successor Alan Guttmacher was hardly less explicit in his racism. In 1969 he wrote, "Each country will have to decide its own form of coercion, determining when and how it should be implemented. . . . The means presently available are compulsory sterilization and compulsory abortion."

Should it then be any surprise today that the population control movement, which advertises its interest in promoting "freedom of choice," has put its support behind the draconian measures being implemented by the Chinese?

Robert McNamara of the World Bank has admitted that he was the first to suggest "the introduction of, or at least experimentation with, incentives and disincentives encouraging low fertility." Such incentives and disincentives have included the withholding of sewage treatment, and other local projects, unless the birth rate goes below a certain level. In China the idea has been taken further—including the denial of the means to feed a child born without permission!

It has become popular, during the recent round of articles

and reports by McNamara and current World Bank head A. W. Clausen, for officials to deplore the "widespread coercive measures" of the Chinese regime—as if the key Population Control organizations had not promoted them. At the same time, McNamara and Clausen threatened the world with the Chinese model.

McNamara puts it this way in his recent article, "The Population Problem," in the journal of the U.S. Establishment, *Foreign Affairs*:

In the end, population growth in most countries will surely be halted substantially below the levels shown in Table III [11 billion by 2005—ed.]. That will happen either because of humane and voluntary measures taken now, or because of the old Malthusian checks. Or perhaps even more likely, in tomorrow's world, it will occur as a result of coercive government sanctions and the recourse by desperate parents to both frequent abortion and clandestine infanticide (i.e., China).

Not all of the population lobby is so indirect about their support for the Chinese model. "Asia is the world's laboratory for population. . . . What we have learned in Asia is a pretty good indication of what can and cannot work elsewhere," says Steven W. Sinding, of the Agency for International Development (AID), the division of the U.S. State Department responsible for administering "population programs."

More direct are Lester Brown, head of the Worldwatch Institute; Paul Ehrlich of Zero Population Growth; and a representative of the Population Crisis Council, an organization on which McNamara also sits.

Brown: "Continued population growth is intolerable. . . . You need a system of incentives and disincentives like in China. I would not call it coercion, because it has a bad connotation and there is nothing bad about what the Chinese are doing. It is a very strong program of incentives not to have large families. They don't give you food, housing, if you violate the prescribed population, family growth limits."

Ehrlich: "coercion in a good cause."

Population Crisis Council representative: "I am not concerned about those stories about strapping women to the abortion table. The important thing is to achieve zero-population growth."

It is unfortunate, but true, that some of these racist Malthusians took refuge from the beginning in the United Nations. We refer in particular to Sir Julian Huxley, the founder of U.N.ESCO. Huxley was an officer of the Eugenics Society of Britain and the Euthanasia Society, as well as the more respectable organizations such as the Abortion Law Reform Association and the National Association of Mental Health. From the beginning he was determined that the nonwhite populations of Africa not be too numerous—we can clearly see that he has succeeded in his intent. . . .

## Liquidity squeeze buoys dollar

*But the big question is, how long can the U.S. economy be kept from collapsing due to a run on the entire banking system?*

In Frankfurt, the dollar rose on Friday to an official price of over 2.98 Deutsche marks at the fixing, up from 2.8803 marks before the weekend, its highest fixing since February 1973.

Unquestionably the strategic background, i.e., the cancellation of East German premier Honecker's much-heralded visit to West Germany, prompted some of the mark's weakness. However, the dollar was universally strong. The dollar's exchange rate has, perversely, become a reverse index of liquidity availability in the Eurodollar market.

Although the dollar may come off some from such giddy heights, tight rates, a firm dollar, and weak metals could persist for a space, as long as we have the current "walk" on certain U.S. banks, rather than a "run" on the system.

As we pointed out soon after European depositors began to walk out of Chicago's Continental Illinois, depositors were leaving the bank faster than the Federal Reserve was providing it liquidity. Losing deposits at a rate of \$5 billion a week, Conti was forced out of the Eurodollar market during May, and all American banks had to pay exorbitant rates to try to attract replacement dollar deposits—which drove up Eurodollar rates. That situation, plus foreign exchange speculators who joined in buying the dollar, caused the big breakdown in metals prices in June.

That is, there was a "walk" on one bank, and funding difficulties for foreign branches of American banks, but not a general run on the entire U.S. banking system. Had there been, the

Federal Reserve would have been forced to flood the system with cash. As long as Volcker did not actually open the floodgates, the banks' search for funds kept rates and the dollar tight.

No sooner was Continental nationalized than a similar "walk" began on Los Angeles' Financial Corporation of America (FCA), which has \$15 billion in uninsured large deposits maturing at the end of September and is willing to pay exorbitant rates to attract dollars.

Then, as *EIR* reported in a previous issue, New York's Manufacturers Hanover itself was said to be losing deposits and borrowing at the Fed, perhaps as much as \$4 billion. By the Aug. 29 reporting date, New York area banks' borrowings at the Fed were down again to zero, but that doesn't mean that Manufacturers Hanover isn't having problems.

In fact, a New York banking source said Friday major banks are planning to declare Argentina "in default." Manufacturers lost \$21 million in June in Argentina.

The only way to get Argentina to the IMF is "shut off the money," he said. "To say 'You've not been good boys, so we won't buy you a sucker.' Nobody's going to give them any more money unless they take steps to cure their own acne. . . . The law is the law. Once the loans are 90 days past due, you have to write them down."

A top Wharton School consultant to the banks yesterday confirmed the report, noting that "several major banks" including Manufacturers are planning to write off more of their loans to Argentina during the September

quarter. That is, the banks plan a calculated risk, as they did in June, that they can avoid large losses later by taking limited losses now.

In September, most large banks already wrote down 20% to 40% of their Argentine loans in the June quarter as "non-accruing," he said, "and they will continue writeoffs. They will write off 10% more, 20% more, and 30% more in December. They are going to write off Argentina entirely.

"Why? Because the more the banks declare Argentina's loans to be non-performing, the weaker the position of the Argentines is. Argentina's negotiating position was based on the consequences of Argentine default on U.S. banks.

"Now the banks can literally answer: 'Fine, don't pay! I don't care.' The moment you have made the write offs, it doesn't matter if they pay or not."

Citibank has meanwhile bought \$900 million in insurance from a group headed by the Pennsylvania insurance giant Cigna, according to information released in papers filed with the SEC (see Business Briefs).

The question is, how long can Volcker "contain" the problem to a deposit outflow on one or two banks at a time? The challenge to Argentina supposes the banks can contain their Argentine losses again in the September quarter, and thus contain the deposit drain on the system. That is a real gamble. At a certain point, too many bank assets can go rotten simultaneously—and too many banks could suffer an actual run on the entire system.

As reported in this space last time, most sophisticated European money is betting that such a general run on the banking system, with attending consequences for the dollar, will occur sometime soon after the American elections in November.

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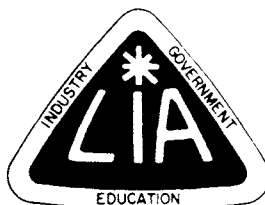
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# Business Briefs

## *International Trade*

### **Swiss cartel takes over U.S. dairy processing**

Nestle, one of the core companies of the Swiss-based international food cartel, is attempting a takeover of the largest American dairy processor, Carnation Foods, in a \$3 billion offer for all of Carnation's shares. If tolerated by the Justice Department, the takeover would be one of the largest corporate grabs in history, second only to the big oil company mergers earlier this year.

In the context of already-present dairy shortages and skyrocketing dairy prices, Nestle would be in position to dominate a huge portion of the market for dairy products, dictating terms to dairy farmers, and reorganizing this entire sector of the U.S. economy under Swiss control. Under conditions of widespread shortage, the upstream side of the dairy industry would command the greatest profits derived from the shortage. Nestle currently has more than \$11 billion in annual sales around the world.

According to the Dow Jones wire service, "Nestle S.A. might be getting a bargain in its proposed \$3 billion acquisition of Carnation Company, some investment bankers said, even though the price is the highest ever paid for a non-oil company.

"Investment bankers who have studied Carnation's recent financial statements and financial projections said the company has an unusually strong balance sheet and bright earnings prospects. Those figures were in the offer circular for the \$83-a-share tender offer mailed to Carnation's holders yesterday.

"Carnation's current assets at June 30 of \$1.2 billion included more than \$245 million in cash, or about \$7 a share."

Carnation's board of directors has recommended that shareholders accept the offer. Carnation shares on the New York Stock

Exchange rose \$4 to \$79.50 following the announcement of the agreement.

The offer was made through a subsidiary of the Swiss concern, Nestle Holdings Inc., which has been on an acquisition spree in the United States in the past 10 years with purchases of such food concerns as Libby McNeill & Libby Inc., Beech-Nut Corporation, and the Stouffer Corp.

## *Agriculture*

### **Even USDA reveals extent of farm collapse**

The Department of Agriculture (USDA) on Sept. 4 released estimates that commercial beef production in the second half of this year will fall about 4%. Consumer prices will go up.

As *EIR* has reported, this understates the situation, and the prospect of meat shortages looms. Breeding stock is going to slaughter; meat shortages so far have been disguised by the one-time-only slaughtering of dairy herds—as farmers are paid to kill cows in the dairy industry's version of a Payment-in-Kind (PIK) program—and by the influx of Mexican cattle and imported carcasses.

Further, farm-implement sales have dropped so greatly that manufacturers are permanently terminating white-collar jobs, as well as laying off and terminating factory workers. Deere and Company, one of world's largest combine harvester builders, announced that 1,000 of its 14,000 office staff will be permanently laid off. Under a new plan, white-collar employees can qualify for retirement benefits at age 54.

According to a Census Bureau report released on Sept. 3, small farms of 50 acres or less grew a surprising 17% during the four years through 1982. But medium-sized farms from 50 to 999 acres, the heart of American

agriculture, are declining in number. The average size of an American farm, 449 acres in 1978, dropped to 439 acres in 1984.

This is what Walter Mondale calls "vertically integrated agriculture"—a large number of small, unproductive plots controlled by the giant agri-business cartels—a 1984 version of feudalism.

"This is very unusual, because for years the farms have been getting larger in size," said Census Bureau analyst Mary Burch. "It's some sort of sociological phenomenon. We aren't exactly sure who's got those smaller farms."

## *Debt Crisis*

### **Banks ease Mexico's debt burden but. . . .**

In the first week of September, Mexico's bankers agreed to stretch out the country's unpayable debt over 14 years, with a one-year grace period on principal payments and a 1% reduction in interest-rate spreads. In return for this bounty, Mexico will have to maintain harsh austerity, and give foreign bankers more influence on internal economic policy.

Mexican President Miguel de la Madrid, in his state of the union speech on Sept. 1, said the government was "seriously concerned about the drop in the standard of living of the lower and middle classes," but asked Mexicans not to be "embittered by either our problems or our mistakes." He rejected any action which might spoil Mexican credit ratings with the foreign banks.

"An irresponsible attitude in matters of international credit," he said, "would bring about grave damage to the country by altering our economic relations with foreign countries and would affect for many years the prestige of Mexico. We will not accept

## Briefly

adventures of destabilization of the international economy that would damage the weak countries with greater virulence than the rich ones."

The *Washington Post* editorialized that, "with a little luck and steady nerves," Mexico's leaders will be able to withstand the popular reactions to continued austerity for paying the debt. The *New York Times* gloated that the speech was "[de la Madrid's] strongest to date against international talk of joint action by Latin American debtor countries and domestic pressure for Mexico to suspend payment of its foreign debts in order to provide more money for internal needs."

### International Credit

#### Citibank insures against defaults

Citibank, the bank that insisted the Third World debt default could never happen, has bought \$900 million in insurance from a group headed by the Pennsylvania insurance giant Cigna, according to information released in papers filed with the SEC. The insurance covers only \$200 million of potential losses in each of four countries—Argentina, Brazil, Mexico, and Venezuela—and \$100 million of potential losses in the Philippines. That represents only a fraction of \$12 billion in loans outstanding from Citibank to those countries.

According to the Dow-Jones wire service, "Citicorp's move is a significant indication that U.S. banks are becoming less optimistic about the repayment of at least some of their foreign loans.

"Banking analysts and auditors generally viewed Citicorp's move as a small but creative effort to reduce its foreign-loan risk. For insurers similar policies sold to other banks would represent a new source of rev-

enue. But several insurance analysts expressed fears that the coverage could drag the U.S. insurance industry into the world's foreign debt crisis.

"The insurance policy is viewed as particularly significant because Citicorp has insisted more strongly than most banks that its foreign loans are safe and no more than a short-term problem."

At a time when major insurance companies, suffering from bad real estate loans and devalued bond portfolios, are wondering whether their position is not worse than a commercial bank, the idea of private insurance against debt default is less than credible. The Insurance Industry Forum, a widely-circulated industry newsletter, warned in its August issue that preparations should be made for an emergency Fed bailout in case a major insurance company failed.

### Middle East

#### Egypt's nuclear project postponed five years

Egypt has been forced to postpone its first nuclear project for five years, due to economic warfare launched against the country from abroad. Preliminary work on the project was to have begun by the end of 1984.

A key setback was the U.S. Eximbank's decision several months ago to refuse financing for a Westinghouse nuclear project in Egypt. This caused Westinghouse to pull out of the project. Egypt found it increasingly difficult to find other sources of financing, including in France and West Germany.

Inside Egypt, a faction fight developed in which the false choice was posed: Either nuclear plants could be built or the Qattara Depression could be developed, but not both. As *EIR* has demonstrated, however, the best way to proceed with the Qattara project is on a nuclear basis.

● **PERU'S** reliance on the Soviet Union "is growing every day, and any break with Moscow would mean the collapse of the entire Peruvian defense system," according to an editorial in the Brazilian daily *O Estado de São Paulo* published Sept. 2. The Soviets are withholding vital maintenance information on Soviet-built equipment and are not allowing Peru to build up stockpiles of spare parts. The Peruvians are trying to build up their military in response to "war-like" statements by the new Ecuadorian President.

● **THE CARACAS** daily *El Mundo's* morning edition, *Ultimas Noticias*, ran a banner headline on Sept. 1: "TV Address to U.S. Monday Night; Hunger Threatens the U.S.A., Says Presidential Candidate." The headline directed readers to an article describing U.S. Independent Democratic presidential candidate Lyndon LaRouche's Sept. 3 broadcast on the danger of a 1984 "food shock."

● **ISRAEL** is facing its worst economic and financial crisis ever. According to the latest estimates of the Bank of Israel, the country has less than \$3 billion in foreign reserves and an expanding foreign debt. The low level of reserves has been brought about by a continuous capital flow out of Israel over the recent months.

● **ARGENTINE BEEF** exports dropped 37% in August relative to July. The total shipped was 13,400 metric tons, the lowest figure in 10 years. Last year, the August figure was 40,000 tons, and the year before, 44,000. One of the major reasons is the absence of the Soviet Union from the Argentine market, and lower orders from other big buyers such as United States and Europe. The amount of meat being shipped overall for the year is also down 37%.

## Soviet 'Diamat' and 'moles' in U.S. security agencies

by Lyndon H. LaRouche, Jr.

The key to understanding the domestic, foreign and strategic policies of the Soviet government today is a doctrine famously promulgated in 1510 A.D. by a mad but influential Russian Orthodox monk, Philotheos of Pskov. The same doctrine was defended savagely by the influential Russian fascist, Fyodor Dostoevsky. Today, the revival of this doctrine is defended by the Soviet KGB's publication, *Literaturnaya Gazeta*. Today, mad Philotheos' dogma saturates a powerful, overtly Dostoevskyan faction within the leadership of the Soviet military. Today, it is not only the ruling ideology of the Soviet rulership; it is the key to every feature of Soviet practice in foreign policy, in practices of subversion globally, and in its deployment of the military and related means, principally to the purpose of early degradation of the United States to the status of a virtual Soviet imperial satrapy.

Philotheos' utterance, a half-mad monk's visionary prophecy, was thereafter the official dogma of the Russian Orthodox hierarchy. Philotheos insisted that Moscow shall become the capital of a new, world-wide Roman empire, the "Third Roman Empire," which shall be the final, eternal empire to rule the planet. Philotheos' doctrine was formally installed as official Russian state doctrine by the second coronation of Ivan IV ("The Terrible"), in 1547, when he assumed the title of Czar ("Caesar"). Despite the great periods of attempted "Westernization" of Russian culture, as under Peter the Great and Alexander II, despite the Petersburg Academy, Michael Lomonosov, Aleksandr Pushkin, and Nikolai Chernyshevsky, the "traditionalist" majorities among the Russian landed aristocracy, the monastical hierarchy of the Russian Orthodox Church, and every Czar saturated with the influence of Russian mysticism, maintained that "Third Rome" doctrine down to the last tortured moments of the Czarist state.

It did not end with the fall of Czarism. The perpetuation of the dogma of the "Third Rome," is nourished by the prevailing beliefs of the monk-ridden Russian peasantry: most emphatically that massive "Old Believer," *raskolnik* force mobilized by Russia's monks against the "Westernizing" policies of Peter the Great and Peter's immediate forebears. These *raskolniki*, who staged mass-revolts against Peter, capped their defeat with a "Jonestown-style" mass suicide estimated to have



"From the 1439 A.D. Council of Florence, to the fall of the Czarist government in 1917, the entirety of the documented internal history of Russia is devoted to the dogma of the 'Third Rome' or to ramifications of that dogma in specific aspects of Russian history." Shown is the Zagorsk Monastery in Moscow.

reached approximately a million in number. The *raskolniki* were then and thereafter a restive, sullen adversary to every real or suspected effort at "Westernization." Periodically, these *raskolniki* exploded in "peasant revolts" endemic to the regions of the Caucasus and Ukraine, as typified famously by the Pugachev insurrection under Catharine II.

The sullenly restive, always imminently explosive and seething mass of *raskolniki*, were a perpetual threat to the Petersburg Czars. It is "Petersburg Czars" which must be given relative emphasis in this matter. The *raskolniki* were the tool of the Russian monks, and, it was Peter the Great's establishment of his capital at Petersburg, in violation of the "Third Rome" dogmatic prophecy, which was the continuing symbolic issue for the monks.

The most famous of these *raskolniki* insurrections against the Czars is usually known by another name, the Russian Revolution of 1917. V. I. Lenin himself admitted that the Russian Revolution had dominant elements of the 18th-century Pugachev insurrection. Many among the leading Bolsheviks, including N. Bukharin, Anatoli Lunacharsky, and others, were essentially *raskolniki*.

Eisenstein's film, "Ivan Grozny," (Ivan the Terrible) captures the essential similarities between the reigns of Ivan IV and Josef Stalin. It distinguishes, insightfully and with artistic daring, the "younger Stalin" of the 1920s from the terrible Stalin whose promulgation of Soviet adherence to the "Third Rome" dogma was certified in Moscow's St. Basil's cathedral in 1943. Like the Czars before him, Stalin suffered his *raskolniki* insurrections: the civil war in the Ukraine associated with the First Five-Year Plan, and the Russian Church's

mobilization of large parts of the Russian population to welcome and support Hitler's invasion. Echoing Ivan IV, Stalin reacted to his near-overthrow, by *raskolnik* complicity with the Nazi invader, by making a pact with the Russian monks, who aroused the mass of Russian peasantry against the Nazis. For Stalin's regime thereafter, and Soviet war propagandist Ilya Ehrenberg, World War II was not a Soviet alliance with the Western forces against Hitler; that war was certified then, and to the present day as "The Great Patriotic War": a war against both Hitler and the Western powers, *a war continuing to the present day*.

There are complications to be considered. The non-Catholic Slavic cultures of Eastern Europe are peasant cultures, cultures steeped in the Gnostic heritage of the Russian Orthodox Church since Vladimir's "conversion" of 988 A.D. These are not "farmers," as we might identify the technologically progressive farmers of the United States or the rich plains of northern Germany. These are "peasants" in the strictest, feudalistic sense of that usage. Moreover, although Polish culture suffers the burdens of an incompletely resolved feudal past of its own, and the continuing cultural oppression of past Livonian, Austro-Hungarian and Russian subjugations, there is a distinct, clearly discernible distinction in culture between that of Catholic Poland and those of the Slavic populations whose culture and ideologies were shaped by the monks of the Slavic Orthodoxy.

It is important to interpolate at this point: We must not fall prey to racialist or kindred prejudices in this matter. Lomonosov, Pushkin, and Chernyshevsky typify the contributions of which Russians, as a people, are capable. Among

immigrants to the United States from Russia, we witness the potentials for persons of that origin to show themselves a great people. Russians are human, and thus in them there exists that divine spark of potential for reason which distinguishes every person from the beasts. The problem is localized to the point that Eastern European culture has been bestialized by the cultural heritages of its pagan, monastical, Mongol-occupation, Ottoman-subjugation, and Habsburg-occupation pasts. The ultimate question of history posed in this part of our planet, is therefore the question whether existing institutions of government are either expressions of that bestialized past, or, hopefully, instruments for promoting the realization of the potential embodied in the divine spark of humanity.

The facts we have just described are the most prominent among the facts of past and present Russian history in the knowledge of every leading specialist whose published works are available today. From the 1439 A.D. Council of Florence, to the fall of the Czarist government in 1917, the entirety of the documented internal history of Russia is devoted to the dogma of the "Third Rome" or to ramifications of that dogma in specific aspects of Russian history. Every specialist in Soviet history covering the rise to power and consolidation of power of the Bolsheviks and Stalin, knows he would not dare refute the facts we have identified without being taken for a liar or fool among most of his peers. The significance of the pages of the KGB's official public voice, *Literaturnaya Gazeta*, for example, is certified by every Soviet specialist who is not to be suspected of being either a Soviet disinformation agent, or a dupe of such agents.

*Yet, it is currently the prevailing doctrine of both the U.S. State Department and the majority of relevant specialists in the U.S. intelligence community, that what we have just reported is absurd!* Since most of these are trained Russian specialists, many variously Soviet "defectors" or persons with significant on-the-ground experience in Eastern Europe, we are permitted no conclusion but that such officials of the U.S. diplomatic and intelligence community are passionately liars. The question is: *Why do they lie?*

*Cui bono—Who benefits from their lying?* What is the effect of their lying on the shaping of U.S. diplomatic and strategic perceptions; who benefits from the wrong-headed policies which could not have been tolerated around Washington, D.C. except for the official status of the opinions of such liars?

Two points of the utmost significance for U.S. foreign-policy and strategic thinking are practically at stake. *First*, but for such lying from official sources within our diplomatic and intelligence communities, no one in Washington could deny the proposition that *the Soviets are committed to establishing world-domination by as early as 1988*, the year of a gigantic Moscow celebration of the "Christianization" of Kiev Russia under Vladimir in 988 A.D. *Second*, no one would be hornswoggled into believing the willful deception conduited through channels of known agents of Soviet influence in such

places as Rome, that much-exaggerated oppositional ferment within Eastern Europe and Russia itself forbids the Soviet government from undertaking strategic adventures in Western Europe during the months immediately ahead. *No one benefits from such among Washington's present follies of strategic assessment so much, so decisively, as the Soviet regime.*

It would be absurd, almost treasonous, not to place such elements of our diplomatic and intelligence establishment under counterintelligence scrutiny. Either they have been schooled in Russian history, in which case they are liars, or, if ignorant of Russian history, they are simply foolish, babbling gossips of the sort who prate, with wishful fervor of belief, whatever they hear from "authoritative sources among my friends." More immediately, *among the specialists themselves, the prima facie evidence shows they can not be but either Soviet agents or agents of Soviet influence.*

### **Soviet strategy: West Germany**

The immediately primary objective of the Soviet regime is that of bringing the Federal Republic of (West) Germany into the Soviet sphere of strategic influence. *The entirety of Soviet global ("geopolitical") strategy for world-domination depends entirely upon Henry A. Kissinger's March 5, 1985 Time magazine proposal for "de-coupling" the United States from West Germany.* It is not essential, nor even desirable, from a Soviet standpoint, that Soviet military forces occupy permanently the entirety of the present territory of West Germany; once West Germany falls into the Soviet sphere of political and economic influence, all of Western continental Europe becomes immediately strategically indefensible, and the entirety of the industrial and agricultural potential of Western Europe, aggregately greater in total than the U.S. economy today, becomes a market from which the Soviet regime buys what it wishes, at prices it chooses to pay, with delivery of payments in the form and at the time and place of its own choosing.

The Soviet regime has chiefly two cards to play in its efforts to accomplish that result.

The first of these two cards is a scenario through which Moscow demonstrates to West Germany today what it demonstrated to all of Eastern Europe in Hungary in 1956: "If you resist Moscow's demands, the United States of America will bluster in your defense, but will do nothing decisive to defend you from brutal Russian punishment." That is already what a growing majority among high-ranking and ordinary citizens of West Germany believe today. A new Berlin crisis, or a limited Soviet blitzkrieg penetration into, for example, a small portion of northeastern Germany, Schleswig-Holstein, or something comparable elsewhere on Warsaw Pact borders, Moscow believes, would complete the process of terrifying West Germany into shifting into the Soviet sphere of political and economic influence.

The same effect would be promoted by a shift of U.S. forces from West Germany into a U.S. military operation in



the Caribbean region. The most probable point at which a surgically-precise, limited Soviet military operation into Western Europe would occur, would be the launching of those U.S. military operations into the Caribbean region which Henry A. Kissinger's circles (e.g., General Gorman) are presently pushing to occur. Among some leading intelligence and military circles in Western Europe and the United States, the present estimates for timing of the Soviet military operations into Western Europe now in advanced stages of preparations, would be about Nov. 6, 1984 or slightly later. This is also approximately the period Kissinger's circles are projecting a U.S. military operation in the Caribbean theater. To any strategic thinker, such a U.S. operation in the Caribbean, involving deployment of U.S. forces from Germany under the terms of the spring 1982 NATO doctrine of "out-of-area deployment," would present Moscow with a golden opportunity for launching the limited blitzkrieg operations currently near completion of preparations. By that point in time, NATO maneuvers would be finished. The U.S. military position in West Germany would be at its relative weakest; the Soviet command would have the added, considerable advantage of appearing to respond to "U.S. aggression" against a "friend of Moscow" in the Caribbean.

What informed patriot of the United States is still playing Hamlet, "to lack gall to make oppression bitter," that he still pretends to avoid the massive evidence he knows, that Henry A. Kissinger is an agent of Soviet influence? Who is still so blindly enslaved to the mere sound of words—and sometimes bloody theatrical gestures to match—to believe that AFL-CIO President Lane Kirkland's "Project Democracy" is anything but a strategic gift of considerable importance to Soviet advantage, in Poland and elsewhere?

Soviet strategy for West Germany combines "the stick" of military pressures with "the carrot" of proffered markets for starving German export-industries. To maintain durable internal stability, West Germany must export approximately 40% of its established industrial capacity. The U.S. policies of Federal Reserve Chairman Paul Volcker, as begun under President Carter and continued under President Reagan, have ruined savagely the export-markets of Western continental Europe; the East bloc and the bloody dictatorship of Khomeini's Iran rank as prime among the remaining foreign markets for West Germany's collapsing industrial sector. Legitimate rage at the continuation of the Volcker policies in the U.S.A. nourishes the tendencies aiming the economy of the Federal Republic toward accommodations with the Warsaw Pact's economies.

The combined effect is "behavioral modification," shifting German political parties—including Chancellor Helmut Kohl's Christian Democratic and Franz-Josef Strauss's Christian Social parties—away from the alliance with the U.S.A., toward fear-ridden accommodations with the East.

There are conditions under which the Soviet regime would ruthlessly exterminate West Germany, even at the price of sacrificing much or all of East Germany. This, however, if

far from their first option. Like Hitler, they prefer to use the "Neville Chamberlain" factor within the Anglo-American political command, to secure what they desire at the cheapest price. Unlike Hitler, they do not bluff with an weak hand; their bluffing is premised on the adversary's certainty of knowledge that Moscow has the "objective capabilities" of means and will to win a general war, should the adversary unexpectedly resort to a strategically adequate form of resistance to Moscow's will.

### **Soviet strategy: other areas**

It is avowed Soviet doctrine that the United States will be permitted, for the present period, to maintain a sphere of strategic influence in the Western Hemisphere—but nowhere else. The late President Yuri Andropov stated this in an interview he gave to *Der Spiegel's* publisher, Rudolf Augstein, published in an April 1983 edition. Andropov stated explicitly, the Soviet Union would have no objections to the United States doing whatever it wished with Nicaragua, in particular. (How curiously informative it is that the Henry A. Kissinger, recently several times praised as a Soviet-preferred U.S. Secretary of State, should be pushing that military operation in Central America through his cronies in the military community!) It is notable that the Soviet press officially threatened the Western press and governments generally, shortly thereafter, for failing to take duly and publicly into consideration the "offers" which Andropov had made through the pages of *Der Spiegel*. Soviet official publications since have been consistent with the Andropov doctrine issued through *Der Spiegel*.

The selected sphere of influence which Soviet policy has demanded includes Western continental Europe and the Mediterranean, and the entirety of Asia. Respecting the United States' Soviet-assigned sphere of strategic influence, the Americas, Soviet demands are limited to three: (1) That the United States shall never again attempt to become equal to Soviet forces, in mass or quality of weapons-systems deployed; (2) That the U.S. confine its sphere of strategic interest to Britain and the Americas; and, (3) That the U.S. maintain and expand its commitments to the Soviet Union in matters of trade in such agricultural and other products which Moscow may request. Like Adolf Hitler's, Moscow's demands are precise, and, in a manner of speaking, strictly limited.

This does not mean that the Soviet Union will not foment troubles for the United States in the Americas themselves. The more "incentive" the credulous sort of official fools in Washington, D.C.'s high places are given to concentrate U.S. military and related operations in Central and South America, the more surely Soviet policies for Western Europe, Africa and Asia will be promoted in practice. Let some credulous official in Washington speak loudly and courageously of "giving Moscow a bloody nose in Latin America"! No doubt, Moscow's strategists roll in laughter on the carpets when they hear such "courageous" talk from U.S. leading

circles—almost as much as they did when President Jimmy Carter informed presidential candidate Ronald Reagan, and the world's television audiences, that his strategic adviser was his daughter, Amy. (They must be, similarly, amused by their own propaganda, accusing President Reagan of being a "war monger," all the while they grin among themselves over the statistics which show that under President Reagan, the level of real U.S. defense expenditures have fallen by between 5% and 7% below the levels prevailing under President Carter.)

### **Soviet imperialism as such**

There are several leading features of Soviet strategic doctrine of practice apart from military policies as such.

In all those matters not directly subsumed by Soviet military capabilities and related matters of Soviet logistics, Soviet strategy is imperialistic in the strictest historical usage of the term, "imperialism." The historical models of reference include the Assyrian, Babylonian, Persian, Roman, Byzantine, Ottoman, Austro-Hungarian, and Czarist empires. Contrary to popularized, but ignorant opinion on the subject of "imperialism," imperialism does not mean that the imperial power attempts to assimilate the subject nations. All the empires of known history have been of the form of an array of semi-autonomous "client states" under the domination of a central power. The Soviet Union today is what V. I. Lenin earlier described Czarist Russia to be: "a captive-house of nationalities." The Soviet Union's organization of its own internal life, and its slightly different form of practices in its occupation of Eastern Europe are, inclusively, of this precise form: It is an extension of that same policy, with certain included modifications, which they intend for the nations of Western Europe, Africa, and Asia.

There is a second, included feature of Soviet imperial strategy for the nations intended to be within its strategic sphere of influence. This bears on the character of the kinds of modifications which deviate from existing Soviet imperial practices in Eastern Europe. Although modifications of existing Soviet imperialistic practices, these modifications in no way differ from the prevailing practices of the Assyrian, Babylonian, Persian, Roman, Byzantine, and Ottoman empires.

Under ancient empires, subjugated peoples given local semi-autonomy were called "satrapies" or "provinces." The principal function of the military forces of the empires was the suppression of revolts against the central power by the satrapies. The means employed to minimize the requirement of such military actions were chiefly two.

*First*, the empires learned to reduce the size of each satrapy to the degree it became relatively impotent in internal potential against the forces of the empire stationed in that region. To this end, the semi-autonomous entities were reduced to the extent of some identifiable differentiation in dominant ethnic, dialect, and religious peculiarities, and these points of difference with adjoining peoples fomented into as

bloody a state of jealousy as might be desired.

*Second*, beginning no later than the Chaldean "theocracies" of Mesopotamia, the arsenal of synthetic religious beliefs was deployed to the fullest extent, chiefly synthetic religious beliefs of a "blood and soil" variety, various synthesized varieties of what are recognizable as Gnostic cults during the history of the recent 2,000 years. Oracles, such as the Chaldeans' oracles of Apollo and Delphi and Delos, shaped predominantly the internal history of ancient Greece; the Cult of Apollo at Rome, from at least the earliest period documented by Livius, ruled Rome and orchestrated the history of Italy. The Cult of Apollo was superseded, under the Empire, by the Egyptian cult of Isis, Osiris, and Horus as the notorious Roman "mystery religions." Later, these "mystery religions" (Gnosis) were perpetuated in nominal disguise as the pseudo-Christian and other (e.g., Sufi) forms of Gnostic state-religion of such emperors of Byzantium as Constantine.

The establishment of a special variety of Gnostic pseudo-Christianity in Russia (Kiev Rus) in 988 A.D., is itself exemplary of the second of the leading administration practices of historically classical forms of empire. The Slavic populations along Byzantium's northern borders, like the Persians to the East, and the Augustinian Christians to the West, were the principal objects of Byzantium's military interest during the second half of the first millennium. At about the point the Byzantine center for manufacture of synthetic varieties of Gnostic cults had been shifted from the hesychastic center of St. Catharine's of the Sinai, to "Holy Mountain" around Mount Athos, the leading spokesmen for Mount Athos prescribed a useful alternative to the customary military operations against troublesome Slavs: manufacture a suitable form of Slavic pseudo-Christianity, by aid of which priests serving as Byzantine agents of influence might manipulate the wills of the Slavic rulers and their subject populations. Hence, the "Christianization" of Kiev Rus under Vladimir in 988 A.D.

The rudiments of such a Soviet imperial policy were first adopted by the Grigori Zinoviev's Communist International, at a Baku conference held in 1920. Present-day Soviet Politburo member Geidar Aliyev is the political heir of that Baku conference. Although the "Tashkent Toiler's School" was purged by Stalin during the 1930s, the Azerbaijani Communist Party continued as a center for development of the kinds of policies which the Soviet Union deploys as its subversive operations in Iran, Turkey, and into India, Central America, and elsewhere today. Geidar Aliyev, before his elevation to the Politburo, as First Deputy Prime Minister of the Soviet Union, under Andropov, had risen to the top ranks of the Soviet KGB, a leading figure of the oriental and related foreign-department operations of the Soviet state.

These operations of the Soviet State Security apparatus's foreign division have a long and geographically extensive history. Among the prominent collaborators of the KGB's predecessor in these operations was Germany's Count von Reventlow, a name not unknown to the social columns of the West; his wife ran a Soviet intelligence center in aid of these

operations out of Ascona, Switzerland. The Anthroposoph leader, Rudolf Steiner, was a Soviet agent in these operations, as was, originally, later-Nazi-leader Rudolf Hess, and Louis Massignon, the latter the teacher of the suspicious Alexandre Bennigsen who is prominent among the authorities for the Zbigniew Brezezinski doctrine of the "Islamic Fundamentalism Card."

In addition to Soviet First Deputy Minister and KGB official, Geidar Aliyev, Soviet officials most relevant in this facet of Soviet imperialistic policy-shaping are Yevgenii Primakov and Igor Belyayev. Primakov is head of the Institute of Orientology of the Soviet Academy of Sciences; Belyayev was, at last report, a Deputy under the son of the Soviet Foreign Minister Andrei Gromyko, Anatolii Gromyko, at the Soviet Africa Institute. The Latin American operations of the KGB are guided by Sergo Mikoyan, also the son of a famous Soviet official, Anastas Mikoyan. The center of the complex of Soviet imperialistic operations of this type, into Asian, African, and the Spanish-speaking Americas, is the Soviet Orientology Institute, including its prominent (Biruni) center at Tashkent, through which operations into Iran, Pakistan, and India are chiefly coordinated.

What is usually acknowledged by counterintelligence specialists respecting these and allied institutions, is merely the surface of the problem. Influential persons from various, relevant parts of our planet do traipse into these Soviet centers as assiduously cultivated guests; some of these become agents of Soviet influence in their countries, while others are too much patriots to go so far. The influence is there, and it is significant, but that is merely the surface of the operations being run.

Soviet imperial policy for the Balkans, the Middle East, for other parts of Asia, for Africa, and for operations into Western Europe and the Americas centers upon the promotion of "separatist" and "primitive religions" movements. These subversive operations are coordinated with François Genoud's Lausanne (Switzerland)-based Nazi International, and, more broadly, with the Genoese-Swiss-Franco-Spanish-Portuguese branch of international fascism, the Sinarquist International. The latter's role during the 1930s and World War II period are substantially documented by U.S. military and diplomatic intelligence records from that period; the official U.S. intelligence listing then was "Sinarquist International: Nazi/Communist." The National Action Party of Mexico (PAN), formerly the Nazi-sympathizer party of Mexico, is a fruit of that Nazi-Communist spawn of Spanish "Carlism," *Synarquismo*, from the late 1920s, 1930s, and 1940s.

(Sinarquism, incidentally, through adopting a French fascist's Swiss variety of anti-Nazi costuming, penetrated massively into Free French operations in the Caribbean during the early 1940s. The assessment to be made by aid of official U.S. records is that this was probably one of the most important channels of Nazi intelligence's penetration of the Free French command.) The former leader, and still active



"Eisenstein's film, 'Ivan Grozny,' (Ivan the Terrible) captures the essential similarities between the reigns of Ivan IV and Josef Stalin."

figure of the PAN today is an "unreconstructed" and virulent anti-Semite, and is also a long-standing agent of the Soviet and Cuban intelligence services. Presently, the PAN is allied with the Communist Party of Mexico, the PSUM, against the Mexican government and the leading party, the PRI. (Both Henry Kissinger's circles among our military and diplomatic ranks, the FBI, and other U.S. notables are supporting the PAN against the Mexican government with shameless openness!)

Although the "separatist" destabilizations of India, for example, are predominantly originally of British intelligence's authorship, with massive participation by powerful Swiss financier interests linked to the Nazi International's François Genoud, the Western agencies so involved are agencies with which the Soviet services have a well-documented and close connection. (Again, some witting and as well foolish U.S. figures and agencies have been drawn into support of these operations, not excluding the Divinity School at Harvard University.)

Soviet financing of much of these kinds of operations is accomplished through proceeds of the international drug-traffic. In 1979, for example, President Alfonso López Michelsen of Colombia negotiated an agreement with President Todor Zhivkov of Bulgaria, under which the Bulgarian section of the Soviet KGB's drugs-for-weapons traffic brings weapons into Central America and the Andean countries of South America in diplomatically sealed TIR truck trailers,

and uses the same route to bring out cocaine used for the Soviet-Bulgarian heroin-cocaine operations in Europe.

In the Western Hemisphere, the Soviet KGB operations of this sort are coordinated prominently with the Gnostic Church: notably the Gnostic Church of Colombia, "legalized" by Alfonso López Michelsen in 1976, which directs operations such as the M-19 terrorist group. The center for such Caribbean drug-trafficking activities used by the KGB, is Robert Vesco's Costa Rica.

The most significant of the KGB's terrorist-separatist operations in South America at this time is the Sendero Luminoso terrorists of Peru—now extending operations from Peru into Colombia and Bolivia. Sendero Luminoso (full name in translation: The Shining Path of José Carlos Mariátegui) is named for the Sinarquist leader of the Communist Party of Peru during the 1930s. The leaders of the Sendero Luminoso's operations are chiefly French-speaking (not Quechua-speaking), and their political center of operations in Peru is the Paris-linked anthropology department of the University of Ayacucho, Peru, a former center of the influence of the teacher of French "leftist-fascist" figure (OAS) Jacques Soustelle, Paul Rivet.

(The arm of the French-speaking Swiss financiers behind the Sinarquist movements reaches long and deep into the Western Hemisphere, as well as Africa. Coffee and chocolate, as well as cocaine, are relevant to counterintelligence tracking of the connections enjoyed by the Soviet intelligence arms today. It is the giant, Switzerland-based food cartels, among whose ranks one encounters these tracks frequently.)

The Soviet penetration and promotion of the "separatist" and "primitive religions" networks internationally serves a double purpose. Immediately, and of lesser significance in the longer term, it amplifies greatly Soviet capabilities for mounting insurrections and covert operations in areas it has targeted. Over the longer term, Soviet imperial policy is served. In Europe and Asia, the Soviet empire, like any of the "classical" empires of the past, must desire that the regions bordering the Soviet Union, within its enlarged strategic sphere of imperial influence, be as weak as possible, and deterred from combining their forces against their imperial overlord. Chopping states into petty, semi-autonomous "political entities," by aid of "separatist" and religious jealousies among them, is the "classical" method for maintaining relatively durable rulership over an empire.

This applies both to the relatively small portion of the total sphere of influence which Moscow might intend, presently, to assimilate under direct Soviet rule. It applies, more generally, to the larger segment of its intended sphere of imperial influence, a region of nominally autonomous states created by dismemberment of existing nations such as India.

### **Soviet long-term strategy**

Before coming to the crucial points to be identified, we dispense with one additional, major element in the Soviet strategic equations.

Not presently, but for the longer term, beginning twenty-five or more years ahead, the principal Soviet strategic concern is China. In the long term, perhaps aided by a humiliated United States, Australia, and New Zealand, China's relative power must tend to increase to the point it becomes the only credible contender against Soviet global hegemony. It will tend to be the focal point to which restive nationalities within the Soviet strategic sphere of influence refer themselves for hope of recovering their independence from Soviet domination.

It is clear from the rudiments of economic geography, that the Soviet empire's preparations for such future contingencies will prompt it to rely upon Western Europe and Japan. Western Europe would supply logistical depth to Soviet economic (and, hence, military) strength. Japan, potentially a significant military power, but helpless against Moscow without the United States, must tend to fear China's emergence a quarter-century ahead; a Soviet imperialism, habituated to the imperial tricks of Byzantium and Venice, would play instinctively the "Japan card." Soviet "crisis-management" of a cultivated conflict between China and Japan, would be the more or less instinctive policy of an imperialism of the type the Soviet empire is emerging to become.

A leading included feature of this picture is the Gnostic ideology pervading the Soviet Union itself. The Russian Orthodox Church's raskolnik and kindred currents are, and will be the dominant ideology of the Soviet Union's Russian Orthodoxy. Like all Gnosticism, the indelible concomitant of Soviet ideology will be the same virulent anti-Semitism which the Gnostic Thule Society imparted to its political arm, the Nazi Party. Eradication of the Jews from Europe, is central to Gnostic doctrine—among those familiar with its history and continuing dogmas of that cult. This racialist feature of Gnosticism is more broadly extended in the other name under which the Gnostic International continues to function today, "The Great White Brotherhood."

This Gnostic racialism prohibits durable coexistence between Soviet Russia and China. It prohibits any significant effort by Moscow to assimilate China by means of a Soviet-imposed variety of rulership. Even by itself, this "factor" of Soviet Gnostic ideology excludes absolutely, the durability of Soviet occupation of any significant part of the densely inhabited territory within China. That, from a Soviet imperialistic standpoint, defines broadly the terms of reference of the Soviet empire's long-term "problem of China."

Soviet long-range policies on the subject of China, especially China a quarter-century and longer down the road, will shape significantly the secondary features of Soviet policy toward Japan and Western Europe under the circumstances of reduction of the United States to a "has-been" world power.

### **The historical roots of Soviet "Diamat"**

The variety of official liars to whom we made reference

at the outset, have more or less consistently defended themselves against *EIR*'s exposure of Soviet "Third Rome" impulses not only by lying out of hand on this subject, but by adding the objection: "The Soviet Union is Communist, not a revival of cultural currents prevailing prior to 1917." Some, whose names and positions might shock some readers, have added, "To the extent the kind of currents you report do exist in the Soviet Union, they are our assets"; which is pretty close to a naked confession of the fact that these liars are either outrightly Soviet agents, or provably witting agents of Soviet influence.

Apart from such scurrilous fellows in influential places, ordinary citizens in general have been so long conditioned to the magic phrase "Communist Russia," that it is difficult for them to accept anything which must suggest a different label for the Soviet Union, no matter how overwhelming the factual evidence arrayed. Perhaps, nonetheless, we can make the point—the practical point—clear to them now.

**1) "Is it not true, that Russia today is ruled by the Communist Party?"**

Yes, that is true. There are three principal components to the government of the Soviet Union today: (1) The Communist Party, which controls all of the key positions in the state bureaucracy, and, in any contest, would probably win out over the other two leading elements; (2) The Soviet military; (3) The Russian Orthodox Church, nominally of as high as 100 million members today, with a reported 40 million attendance at Russian Easter services most recently.

If you know your history adequately, you must recognize that this three-fold composition of government is an echo of the Byzantine empire: a state bureaucracy, dominating the Church and the military arms of government. Like the Byzantine emperors and the Russian Czars, the head of state has a Byzantine form of pontifical authority; he is the head of the Church, with powers to appoint the Patriarch and other top officials, to set Church policy in all matters but doctrinal tradition itself, and even the power to make some modifications in the practice of the doctrine. The state bureaucracy is dominated, in turn, by a set of ruling families, to the effect that most of the leading positions in the bureaucracy are inherited by such members of the leading families as have not made themselves outcasts.

In other words, the Soviet regime fits the description, "oligarchy," in the strictly classical usage of the term. *The oligarchical political party is the Communist Party of the Soviet Union.* One of the best models for comparison is the case of Venice; think of the head of the Soviet Party as the Russian version of a Venetian Doge, and the Soviet Politburo as a Soviet version of the Venetian "Council of Ten," and you have the picture pretty accurately.

The Communist Party of the Soviet Union is therefore fairly described as a "Communist oligarchy," or, as an "oligarchy which professes to be Communist." It is the kind of social formation readily recognized from the history of the Middle East, as well as Byzantium most emphatically.

**2) "All right. It is ruled by a bureaucratic oligarchy, that I can buy; but, is it not Communist?"**

Yes, it is, if you define the term, "Communist," properly. It is the way most people in the United States misdefine what they mean by the term, "Communist," which misleads them as to the character of the Soviet state today. Generally, people refer to what they knew or thought they knew about the Communist Party in the United States, or Britain, or France, or Italy, for example. There are some points of similarity, as well as significant political connections, but, otherwise, it is on this point of interpretation that most people's opinion goes way off the track on the subject of Russia today.

Our citizens, including the majority of people in government, overlook the fact that communist ideology existed as a dominant philosophy in Russia centuries before Karl Marx was born, the rural communism praised by Tolstoy, for example. Although some of the leading Bolsheviks, including Lenin himself, envisaged Russian communism as developing a powerful industrial state, a Marxist sort of industrial state otherwise of the form synonymous with Western Europe and the United States, the majority of the forces participating in the two-phased Russian Revolution of 1917, including a very large portion of the Bolsheviks themselves, saw Marxism merely as a kind of rationalization for establishing a form of Russian society consistent with the ideals of Russian rural communism. Just as Lenin himself bent to such Russian rural communism, by co-opting the agricultural policy of the Populists, so Russia assimilated, rather than submitting itself to Marxism; *it adapted the interpretation of Marxism to pre-existing Russian ideology.*

Reference to history helps in this matter, as it usually does. If we array all of the known empires of the past, the early Chaldean, the Assyrian, the Babylonian, the Persian, the Roman, the Byzantine, the Ottoman, the Habsburg's empires, the Russian Empire, and the British Empire, for example, we may notice very significant differences in the internal features of belief and behavior among the population and social stratifications of one ruling nation and those of any and all of the others. Shall we, then, on that ground, argue that, because of such included differences, these are not all equally empires?

History supplies us with evidence with aid of which to understand the way in which various empires can acquire almost identical features as empires, and yet exhibit such secondary differences in the cultures of populations of the ruling imperial nationality. The most efficient of these lessons from past history is the documented agreement between Philip of Macedon and the representatives of the Persian Empire during the fourth century B.C. Since the Persian Empire had failed for 200 years to conquer European Greece, and was having trouble with some of the restive satrapies of Asia Minor and the Mediterranean littoral, the Chaldeans, who controlled the Persian Empire from within, offered to Philip of Macedon, that if he would first subjugate Greece, with assistance of the Cult of Apollo, they would arrange to

make Philip the hereditary emperor of a Western Division of the Persian Empire, consisting of the entire Mediterranean region to the west of the Halys and Euphrates rivers.

The agreement failed. Philip was assassinated on the eve of his expedition to establish the Western Division. His son, Alexander, seized the throne, and with the guidance of the Academy at Athens, and assistance from the Egyptian priests of Ammon, destroyed Tyre and the Persian Empire. Yet, the terms of the agreement offered to Philip of Macedon continue to be of extraordinary value to the historian. The aspect of those agreements most notable for later history, and for understanding Soviet imperialism today, is the stipulation made to Philip, that the Western Division of the Persian Empire must model itself upon the internal political, social and economic characteristics of the existing Persian Empire; the documents refer to this variously as the "Persian model" and the "oligarchical model."

Proceeding from the Persian Empire's fall to the establishment of the Roman, the Roman Empire's doctrines of law and related practice are fully consistent with the terms of the agreement for the Western Division proposed to Philip of Macedon. On this point, the same is true of the Byzantine Empire, the Ottoman, and Habsburg empires of Spain and Austro-Hungary, the Czarist Russian Empire, and the British, Dutch, French, and Belgian empires.

The power of the ruling imperial nation is concentrated in an oligarchy. This oligarchy has the essential features of the ancient Chaldean priest-merchant-rentier class which ruled over the oriental empires, and implements its rule through the creation of a state bureaucracy controlled collectively by the leading families of the oligarchical stratum. The doctrines of law imposed by this oligarchy defy the notions of natural law of St. Augustine and constitutional law as the founders of the U.S. republic understood constitutional law. The doctrines of law promulgated for practice by all of the oligarchies associated with imperial systems are doctrines of positive law which, in turn, are coherent with Aristotle's *Nicomachean Ethics* and *Politics*, or, essentially the same thing, Roman Law. This is true of the Roman, Byzantine, Ottoman, Habsburg, and British empires, in particular.

The oligarchy and its doctrines of law for practice prescribe the ethnic and language distinctions of the imperial power to be the attributes of racial superiority, which must be protected against "corrupting mingling" with the ethnic stocks of the subject populations. A doctrine of "cultural relativism" flows from this respecting the expansion and administration of the empire as a whole. Peoples of different ethnic (racial) stocks are not assimilated into the imperial nation (unless they are from oligarchical social strata), but are each awarded semi-autonomy of local rule and customs, conditioned only by the authority of the imperial overlordship.

From this consistent pattern, common to all known empires, three additional essential points are to be abstracted: (1) imperialist doctrine is rooted in the assumptions common to cults of "blood and soil," what today's anthropologists



*"A Russian Gnostic does not have a personal soul, but only the temporary use of a small corner of a collective, Russian soul. This, not Karl Marx, is the well-spring of Russian Communism." Pictured is Josef Stalin in 1932.*

advocate as a dogma of "cultural relativism": that each race inhabiting some particular portion of the planet's real estate derives its specific cultural traits and needs from the properties peculiar to its genetic heritage and climatic circumstances of the portion of the planet's state "most naturally agreeable" to a population of that differentiated genetic stock; (2), consequently, there exist no principles of culture and law common to all mankind, but only customs appropriate to the populations of a particular "blood and soil"; and, (3) that either the people of a certain "blood and soil" are superior to all other peoples at all times, or that a certain "race" emerges to superiority for a more or less predetermined number of centuries or millennia.

On these three crucial points of culture, the Soviet Union's ruling oligarchy must be strictly defined as an imperialistic oligarchy, whose essential feature is not "communism" or anything else of the sort emphasized, typically, in a political-science curriculum at Harvard University.

It is not difficult to discover the roots of Soviet imperialism in Russian culture itself, and it is readily shown to anyone not governed by blind, irrational prejudice in this matter, that Soviet culture today not only preserves but places foremost precisely those carried-forward aspects of old Russian culture which are intrinsically oligarchical and imperialistic.

The center of Russian ideology, from the most ancient period known to the present, is the worship of the earth-mother-goddess, *Matushka Rus*. She is the Russian guise of

the Phrygian Cybele, the mother of Dionysos. She was known as *Magna Mater* or *Sibyl* to the pagan Romans. She is the goddess of the Holy Blood and Soil of Russia.

This earth-mother-goddess has a documented history. She first appears as the mother-goddess of the pre-Aryan Harappans (Dravidians) of the west subcontinent of Asia, and during the period of the Harappan culture as the goddess of the Dravidian colony in southern Mesopotamia known as Sumer ("the black-headed people," as they described themselves and their Semitic, Chaldean, successors called them). In Chaldean, Shakti, putatively the mother and the lover of the phallus-god Siva, was known by the dialectal variant Ishtar, described aptly in the New Testament as "The Whore of Babylon." In ancient Sheba (Saba), she was known as Athtar. Among the Phoenicians (Philistines), whom Herodotus identified as Dravidian in origin, she is known by the dialectal variant, Astarte. In the Greek name for her, she is the Egyptian goddess Isis, consort of Osiris (Siva, Satan), and mother of Horus (Lucifer, Apollo, St. George, etc.). In Phrygia, Siva or Osiris or Satan is known by the name Dionysos (old Indo-European "Day-Night"). In modern times, this "Whore of Babylon" is worshipped as the moon-goddess Isis by certain speculative-freemasonic cults. This same, oriental "blood and soil" cult, is the Roman "mystery religion," Gnosis = Gnosticism. In its Sufi variant, it was the Gnostic cult which the Templars and Hospitallers brought back from the Near East, to produce the Cathar doctrine.

"Holy Mother Russia" is that for which a Russian mystic will kill, rape, and surrender his life, in "matriotic" personal sacrifice. She is the earth-mother goddess of the pagan Russians, coopted syncretically by those hesychasts of Mount Athos who synthesized the form of pseudo-Christianity introduced to Kiev Rus in 988 A.D. Like the overtly Gnostic Bogomil cult of Bulgaria (and Venice), which has been revived as the official state cult by the recently deceased daughter, Lyudmila Zhivkova of President Todor Zhivkov, Russian pseudo-Christianity is essentially Gnosticism.

It is directly, practically relevant to understanding Russian culture, that Gnostic "blood and soil" cults deny the existence of a personal soul. A Russian Gnostic does not have a personal soul, but only the temporary use of a small corner of a collective, Russian soul. This, not Karl Marx, is the well-spring of Russian Communism.

The Will of Mother Russia expresses itself in the blood which flows from her soil, and is to be located only in its collective expression, the People's Will. The familiar Soviet slogan, "the peace-loving peoples of the world," is not merely the abominable piece of maudlin rhetoric it plainly shows itself; it is a projection of the active principle of "blood and soil" cultism upon the non-Russian varieties of bloods and soils. The "collective wisdom of the simple people," is another variant on the same abominable theme: as if ignorance conferred wisdom!

This feature of Russian culture first came sharply to the attention of Western Europe approximately 1440 A.D. At

the 1439 Council of Florence, under the influence of the 38-year-old Nicolaus of Cusa, who had led earlier in restoring the Papacy, the ecumenical patriarch of Paleologue Constantinople reached agreement on unification of the Eastern and Western Christian churches through mutual adoption of the *Filioque* doctrine of St. Augustine. For the moment, all was optimism, until the ecumenical patriarch's appointee, Metropolitan Isidore, reached Russia. Instead of rejoicing, he was met by what became nearly a monastical lynch-mob. It was then that the first version of Philotheos' 1510 "Third Rome" dogma was elaborated. The leaders of the Russian Church responded to the Council of Florence, by charging that Constantinople, by its ecumenical pact with the Church of Rome, had certified its own degeneracy. Therefore, the Russians argued, Constantinople, like Rome, must fall, to be replaced by a new capital, in Russia.

Indeed, in 1453 A.D., Constantinople fell. The fall was arranged, not by any divine force, but the opposite. The fall of Constantinople was orchestrated by the ruling Bogomils of Venice. Venice, in concert with Mount Athos, entered into an alliance with the Ottomans. As part of this Gnostics' alliance against Christianity, the Venetians and the ancient Roman aristocratic families, themselves also virulent opponents of the Council of Florence from within Rome itself, supplied the Ottomans with artillery and gunners. Mount Athos issued a religious ban against Greeks giving assistance to Constantinople against the Ottomans. Four thousand Genoese mercenaries, employed to assist in defense of the city, instead slaughtered the guards at the walls and gates one night, and admitted the Ottoman forces; the Christian inhabitants were slaughtered. In payment, the Ottomans gave Venice both a large chunk of Greece and also control over the Ottoman Empire's diplomatic and intelligence services, the dragomans. The leader of Mount Athos was rewarded not only with appointment as Orthodox Patriarch, but hereditary authority over the non-Islamic subject populations of the Ottoman Empire. Such was the rise, and the roots of the later fall, of the Ottoman Empire.

The issue of the *Filioque*, as represented so in these and related events of 1439-53, is not merely the matter of inclusion of *Filioque* in the Latin Catholic liturgy. The Augustinian doctrine, that the Will of God (Logos) flows through Christ as from God, is the peculiar genius of the rise of Western European civilization. Through perfection of the informed practice of each of us, we can assimilate *with decreasing imperfection* the lawful composition of universal creation. Thus, in admiration and imitation of Christ, we may cause the same Will to flow through our knowledge and effects of our practice. The divine spark is within each of us, and its development coheres with the essence of the individual personality, the individual soul.

On this account all men and women are equal, except as they differ in relative perfection of knowledge for practice. So, St. Paul's mission to the Gentiles placed the individual soul above all distinctions of race and dialect. Each human

individual contains the divine spark of reason, and differs from any other individual only in respect of degree of perfection of that divine talent.

In Judaism, the same principle is immanent, as associated with the doctrine of the Messiah, as Philo of Alexandria elaborates to such effect.

This Judeo-Christian conception of the individual soul, reflected in the *Filioque* of the Latin liturgy, is the essence of Western Civilization, the well-spring from which democratic republicanism emerged.

This is what is most precious in Western Civilization. Without it, 2,000 years of Judeo-Christian work vanish from the life of this planet, and so Western Civilization itself must vanish, including our own constitutional republic. That was the issue of East versus West in 1439-53 A.D., and is the issue of East versus West today. Compared to this, to our republic, or to the informed self-interest of any individual among us, nothing compares in importance.

Against this background, the significance of Soviet "Diamat" ("dialectical materialism") may be located and understood.

### **Marx and Soviet "Diamat"**

The official catechism of the Communist Party of Russia, is a mish-mash of nominalist scholasticism centered around two "magic phrases," "dialectical materialism (Diamat)" and "historical materialism (Histomat)." According to the official Soviet catechism, these two wondrous Orwellian concoctions, Diamat and Histomat, are the benefit of a most curious event which true Soviet believers insist occurred back during the middle of the 19th century, that Dr. Karl Marx "turned the great Hegel" (then deceased) "on his head, and thus transformed him into a materialist."

In point of fact, Professor G. W. F. Hegel, albeit a clever fellow, was an utter scoundrel. His literary productions on the subjects of philosophy and history are lying frauds. Turning him sidewise, rolling him over, or standing his corpse on its head, could do nothing to improve him or his work on any of these noted points of criticism. During his student's days, during the 1790s, he was a raving Jacobin, a profession traced to his service as a tutor among Swiss circles backing the Jacobins in France. In the concluding two decades of his life, until an evil greater than himself, a cholera epidemic, struck him down, Professor Hegel, "official Prussian state philosopher" and the dominant figure at the university at Berlin, was an impassioned inquisitor in service of Clement Prince Metternich's Holy Alliance. According to his correspondence, meticulously intercepted and copied by the Prussian intelligence service, during the last 15 or so years of his life, Hegel was purely and simply Metternich's spy.

Since we are demolishing summarily mythologies widely accepted as fact among the effluent of our universities' liberal-arts departments, as well as Soviet school-children, we must, as briefly as possible, indicate the nature of the conclusive proofs we have against Hegel's claims to originality in

matters of philosophy and historiography.

**1) Hegel's employment of the term "dialectical method," is entirely a fraud.**

The origin of the term, "dialectical method," is Plato's reference to "my dialectical method," in his dialogues. The term were better understood if it were restated, "the method of composition of my dialogues." In modern European history, it is, most notably, the method applied to the development of physical science by Nicolaus of Cusa, Leonardo da Vinci, Johannes Kepler, Gottfried Leibniz, and so forth, through the explicitly Platonic Bernhard Riemann. The essential distinction of this dialectical method is that it rejects the construction of a mathematical physics from the standpoint of a logically-deductive elaboration of axiomatic arithmetic, and, instead, elaborates physical science from the standpoint of what is known today as a rigorous application of "synthetic geometry." The correlative distinction is that, whereas Aristotle and Descartes, for example, define substantiality ("matter") as the nature of noun-objects abstracted out of space and time, the dialectical method locates substantiality in the experience of transformations in finite physical space-time. The empirical knowledge corresponding to such transformations can not be communicated by means of nouns, but only by referencing those transformations as objects of transitive verbs.

Any contrary employment of the term, dialectical method, is a hoax, by definition. What Hegel identified as his version of dialectical method is most favorably characterized as never escaping the bounds of neo-Aristotelian nominalism. In the matter of his account of the history of philosophy (leading up to himself, of course), he is provably not an innocent incompetent, but a liar, and massively so.

**2) Hegel's account of history is a vast lie, composed in defense of the crushing of pro-American republicanism in Europe by Metternich's 1815 Treaty of Vienna.**

At the time Hegel was employed at Jena University, the chief of the department of history there was Professor Friedrich Schiller. At that time, Schiller was the most influential living figure in all of Germany, compared to whom the talented Goethe was merely a minor celebrity. Schiller was the dominant intellect of the circle of republican conspirators including Karl Freiherr vom Stein and Wilhelm v. Humboldt, who later led and organized the defeat and downfall of the tyrant, Napoleon Bonaparte. No dramas ever composed have compared with Schiller's in respect to the immediate and powerful influence they exerted in inspiring and transforming almost the entire generation of a people. Only St. Augustine, Dante Alighieri, Nicolaus of Cusa, and Gottfried Leibniz excel Schiller in the impact of his writings upon European history; among dramatists, only William Shakespeare distantly approaches him. The power of these dramas of Schiller's is derived in great part from his accomplishments as an historian, centered around his pioneering mastery of the wars for the liberation of the Netherlands from Venetian-Habsburg tyranny, and his mastery of the internal dynamics of the 1618-



48 Thirty Years' War. In connection with these and other studies, Schiller, as Germany's leading professor of history during that period, laid down a doctrine to govern the study of the preceding 2,000 years of European history, that the only essential conflict shaping that history had been a life-and-death struggle between two opposing political-philosophical currents. The first of these two is the republican current, referenced to Solon of Athens; the second is the oligarchical current, typified by the sodomy-ridden slave-society of Lycurgan Sparta.

Just as Hegel wrote on science and philosophy as if Leibniz had never existed, so he wrote on history as if his most celebrated contemporaries, Condorcet, Herder, and Schiller, had never existed. Of more concrete significance is Hegel's defense of rise of empires based on human chattel slavery as "progressive." His doctrine of the Prussian state is nakedly Gnosticism. He argues that a mysterious principle, "the World-Spirit," moves through the unwitting wills of the peoples into the will of the ruling figure of that society, and that the policy of that ruling figure, up to the time the World-Spirit fatefully casts impending doom upon him, is, *post hoc, ergo propter hoc*, the highest expression of the manifest intent of the World-Spirit.

In fact, as the lying Hegel knew very well, the Prussian throne had been rescued from Bonaparte's obliteration of it, solely by the action of Schiller's co-conspirators among the Prussian republican reformers. The Prussian monarch had capitulated to the pressures of the Holy Alliance, to expel from power precisely those republican forces which had just previously saved Prussia from obliteration. At the time Hegel gave his lectures on the philosophy of history, and thereafter, not only were the promulgations of the Prussian monarch dictated by prescriptions of Moscow, Vienna, and Venice. Hegel himself, in his function as Metternich's spy, was part of the apparatus employed to ensure that the Prussian court did not deviate slyly from such prescriptions.

"Fraud" and "immoral rogue" were kindly euphemisms for both Hegel and his literary productions. The notable fact, respecting the subject of Soviet "Diamat" under review here, is that in his characteristic activities as fraud and all-around scoundrel, Hegel was governed by Gnosticism.

Karl Marx, too, was a Gnostic. The best evidence is, that Marx's conversion to Gnosticism occurred during his student days at Berlin, under the influence of the so-called neo-Hegelians and Professor Friedrich Savigny. Savigny is of much greater importance in shaping Marx's development than the prevailing mythologies suspect. Marx's doctrine of law, throughout all the writings of his later life, is characterized increasingly by the pro-Roman, "historical" positivist standpoint most famously represented by Savigny. Marx is axiomatically, throughout his adult life, an impassioned adversary of natural and constitutional law, denouncing both as violating (Savigny's) positivist principle of "historical specificity."

Marx's more direct recruitment to Gnosticism came

through Ludwig Feuerbach's *Essence of Christianity*. That book is rabid Gnosticism. The essence of Feuerbach's argument is that the doctrine of Christ and the Consubstantial Trinity must be discarded, in favor of "the feminine principle" (Shakti, Ishtar, Isis, et al.). In place of the Trinity, he substitutes the Holy Family, equating Joseph to Osiris and Jesus to Horus-Apollo-Lucifer, as he equates Mary to Isis-Ishtar-Cybele. Feuerbach omits only some of those nastier sexual cult-practices of the Gnostic doctrine which earned Ishtar-Isis the epithet of "Whore of Babylon," perhaps with an eye to the limits of tolerance of popular sensibilities at the time.

Feuerbach was far more accomplished a psychopathologist than the philosophically illiterate Dr. Sigmund Freud or, more recently, Tavistock's R. D. Laing. Therefore, he was far more dangerous than either. Through predominantly Swiss-directed patronage, during the past 200 years no writer has had more successful influence in spreading Gnosticism among nominal Protestant congregations than he. His pathological grip on the mind of Karl Marx was most extraordinary. Marx's "materialism" was, thereafter, always Gnosticism poorly disguised.

The facts respecting Hegel, Savigny, Feuerbach, and Marx, listed thus far, are sufficient basis for introducing a general observation of profound implications.

Hegel, Feuerbach, and Marx were Gnostics, to the degree that Gnosticism is the pervasive characteristic of the entirety of their doctrines. So was Adolf Hitler and his Nazi Party. Hitler was converted to Gnosticism, through a heretical Benedictine establishment in Austria, by approximately the age of 14 years. The Thule Society, linked prominently to families including the Venetian Thurn und Taxis family of Regensburg, which created the Nazi Party top-down, was a rabidly Gnostic cult, adopting the Cathar version of Gnosticism. This Thule Society was, in its leading feature, a leader of the Gnostic international's vividly anti-Semitic "Great White Brotherhood." So was Richard Wagner, all of whose "music-dramas" are based explicitly on Gnostic-cult themes. The case of the Sinarquist international belongs to the same matrix. In origins as determined by patronage, the Sinarquist international emerged as a trans-Atlantic venture of Genoese, French-speaking Swiss, French, Spanish, and Portuguese sponsorship during (approximately) the 1890s. In Spain, its point of reference was the "Carlist" movement, out of which the Sinarquists spewed interchangeably "leftist" and "right-wing" factions, both under common, central direction at all times.

Taking together the seemingly paradoxical fact, that the Soviet Union is an avowedly Marxist state allied intimately with the Nazi international and the Sinarquists today, there can be no competent characterization of the Soviet state which does not take such a paradoxical array of incontestable fact as its primary standpoint of reference. Correspondingly, there can be no competent strategic assessment of the Soviet Union which does not premise itself upon that same paradoxical

array of incontestable fact.

*There is only one solution to that paradox: Hegel, Feuerbach, Marx, the Nazis, the Sinarquists, and Soviet culture are each and all Gnostic.*

The usual objection to this or kindred propositions, is the protestation of the professedly incredulous: "But, that's absurd! Communists and Nazis are the deadliest of enemies! Have you forgotten about World War II? . . ." To which we reply: most murders occur within the bounds of the family. The Gnostic family is especially rife with such propensities, like the fraternity of feudal knighthood of yore, or, today, those families of the European "black nobility," which lessen the boredom of their useless existences by periodic eruptions of murderous vendettas—a nephew here, an uncle there, now a mistress, there a lover, and so forth and so on. In the latter case, the fact of these endemic vendettas does not prevent the unification of efforts of all concerned against any prescribed adversary of the general oligarchical interest.

The ability of Russian culture to assimilate the Gnostic dogmas of Marxism preexisted in the pervasive Gnosticism of Russian culture.

A crucial point must be added to this, a point essential not only for understanding Soviet society, but for understanding the guiding motivations of agents of Soviet influence within our diplomatic and intelligence establishments.

Considering only the recent 200 years, every Jacobin, neo-Jacobin, and fascist insurgency has been created from its cradle, and steered to its conclusion by immensely powerful aristocratic and financial-aristocratic families of the Euro-American oligarchies. The motives of these oligarchical families in these affairs have never varied; they are the same motives governing the terms of the 1815 Treaty of Vienna. The motive has been, to weaken, to crush, and to eradicate republican institutions and forces, most emphatically the movements and institutions of modern scientific-industrial capitalistic republicanism exemplified by the eruption and spreading influence of the American Revolution.

This, for example, is clearly reflected in the case of the notorious agent of Soviet influence, Henry A. Kissinger. In his Harvard-spawned book, *The World Restored*, in which the first acknowledgement is to his patron, McGeorge Bundy, Kissinger puts almost no limit to his impassioned adoption of the anti-American policies of Britain's Castlereagh and the Holy Alliance's Metternich. Kissinger's susceptibility to playing agent of Soviet influence flows from his professedly Metternichean standpoint. Philosophically, Kissinger is thoroughly a fascist; yet, the Metternichean (Venetian) style of attempted manipulation of Soviet impulses, serves the purpose of Kissinger (and his sponsors), the purpose of eradicating from the world, and the United States itself, the scientific, industrialist form of capitalist republic.

The Hegel-Marx version of "dialectical materialism" was readily adopted by preexisting Russian culture. The error in their own prejudiced opinion which prompts many to fail to recognize this, is their sentimental fascination with the Bol-

sheviks' expulsion of the particular institutions of monarchy and so forth which dominated Czarist Russia. Such folk should ask themselves, what do they imagine Pugachev might have done with the then-existing Czarist institutions of Catherine II's Russia, had Pugachev's advance into the north of Russia not met disaster? Had Pugachev been victorious, and had he

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*"Matushka Rus' came to recognize that 'Diamat' was no threat to her special interests. She set about to shape the oligarchy of the Communist Party, which ruled in her name, into what she found agreeable to herself as a new Russian dynasty."*

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retained power, he would have established the Pugachev dynasty, and would have employed the pontifical powers he thus obtained to effect changes in the top-most rank of the Russian Orthodox Church's hierarchy. Perhaps Pugachev would have been overthrown. In the end, some new Russian dynasty, replacing the Romanovs, would most probably have come to power.

What has happened in Bolshevik Russia is broadly analogous to the gap between the days of Boris Gudonov and the 17th-century accession of the Romanovs. On a Russian scale of historical time, what has occurred is a period of transition, during which matters have sorted themselves out, so to speak; and, out of these decades of transition have emerged the rudiments of a new Russian dynasty. Essentially, old Russia has won out in a manner akin to the fashion old China assimilated so many conquerors; old Russia has assimilated certain modifications introduced by the Bolsheviks, has made these her own in her fashion. Thus, "Matushka Rus" has once again prevailed, by aid of learning to adapt. She adapted "Diamat" to herself, too.

"Communist Russia" exists otherwise only as a fantasy of "old Communist" sentimentalists outside the Warsaw Pact nations, and of other credulous folk who mistake the wishful delusions of such "old Communists" for the reality of Russia itself.

Because of its refusal of any principle of natural law, and the Gnosticism which permeates its authorship, the nominalist chimera called "dialectical materialism" was easily digested by the Russia of Fyodor Dostoevsky's Raskolnik and Brothers Karamazov, the Russia of Oblomov, albeit "Matushka Rus" came to accept this fully only on the time-scale she prefers in such matters.

"Matushka Rus" came to recognize that "Diamat" was no

threat to her special interests. She set about to shape the oligarchy of the Communist Party, which ruled in her name, into what she found agreeable to herself as a new Russian dynasty.

### The strategic correlation

Immediately, at the close of World War II, Bertrand Russell and his circles said to Russia: "Submit to world government under the Anglo-American oligarchy's domination, or we will destroy you in a 'preventive nuclear war.'" Stalin said, "No," and the Soviet press, in an exceptional display of honesty, reviled Russell by every foul name in its lexicon. Meanwhile, helped in the matter of some details of engineering through Donald Maclean in Washington, Moscow produced the beginnings of its fission arsenal by about 1949, and its H-bomb prototype during the period of the UNO's Korean War.

Stalin died—who knows exactly how or why, and Russell re-phrased his offer: "Russia, let us jointly set up a system of world-government, with you running one part of the planet and we the rest." By no later than 1955, Stalin's successors tentatively accepted the offer. Russell's proposal to supply Russia a "New Yalta" arrangement, under whose terms Moscow was given a significantly larger chunk of the world for its empire than was awarded in 1943, was countersigned by such circles as Russell's Liberal Establishment accomplices in London and in the New York Council on Foreign Relations. With the 1961 Berlin Wall crisis and the 1962 Cuba Missiles Crisis, the new agreement was successfully imposed upon the U.S. Government itself. Nuclear Deterrence and Flexible Response, devised by Russell and Moscow as the means for implementing the New Yalta agreement, was imposed upon the United States' strategic doctrine.

Beginning 1962-63, Moscow's grand scheme of strategic deception was operational. Diplomatically, Moscow was the stalwart defender of the "New Yalta" agreements. In the military sphere, Moscow began to exploit the take-down of U.S. military and economic potential as opportunity to build up gradually the quality of war-winning military superiority prescribed by Marshal V. D. Sokolovskii's 1962 *Soviet Military Strategy*. By 1972, with Henry A. Kissinger's rise to the position of U.S. Secretary of State, and the SALT I and ABM treaties negotiated by the treasonous Kissinger, Moscow was more or less assured its victory.

Both sides are cheating. In the West, Russia's co-conspirators of the oligarchical establishments (which employ Henry Kissinger), dream bed-wetting dreams of a Russian empire weakened and destroyed by revolts from within. In the East, Russia looks upon the McGeorge Bundys, the Averell Harrimans, and their Henry Kissingers as what Lenin described aptly as "useful fools." Russia will milk the last ounce of strategic advantage out of the Harrimans, Bundys and Kissingers, and then, once these fellows have exhausted their usefulness, by destroying the military and economic power of the West from within, Moscow will crush them.

A whimpering Henry Kissinger standing against the wall, snivels once again, "But why are you shooting me?"

The Chekist sergeant laughs and snarls contempt at the same time; "You are no longer useful." At that instant the automatic-rifle fire explodes. In walking to that wall, Henry Kissinger has finally reached his last step in diplomacy.

The essence of the strategic situation is this. The Anglo-American "liberal establishments" and the Soviet rulers are both equally oligarchs, more or less equally filled with hatred against republicanism. The difference is, under the terms of the New Yalta agreement, the Western oligarchs are destroying the military and economic power of the portion of the world over which they rule, while the Soviet oligarchy is building both the military and economic strength as rapidly as possible. Guess which is fated to be victorious?

The only nagging thought which disturbs Moscow, is the fear that at the last moment, the United States' policies might change drastically, that the United States might suppress its "environmentalists" and the like, and unleash an all-out economic recovery, akin to that of 1940-43 or the early years of NASA: Such an economic recovery-drive Moscow senses it could not match. So, President Reagan's announcement of March 23, 1983 sent shivers down Moscow's spine, and every U.S. and Western European politician on Moscow's agent-of-influence list barked the Moscow line against "star wars." Unless that occurs, and very soon, Moscow wins the world more or less as it intends.

Events have reached a point of maturation. The West is close to the point it is overripe to be divided and conquered, especially with aid of Henry A. Kissinger's efforts to "decouple" Europe strategically from the United States. The fruit is ripe; it is near time for Moscow to harvest the fruit. Waiting risks the possibility that something like that which President Reagan threatened to do on March 23, 1983, might be put into motion, and the correlation of forces shifted to relative U.S. strategic advantage.

On Moscow's part, this is not merely general speculation on remote possibilities. Moscow knows full well that a new international financial collapse is erupting in the Western World. The collapse, and ensuing discredit of the International Monetary Fund and U.S. Liberal Establishment financial institutions, creates the likelihood of those kinds of sudden and radical shifts in institutionalized power inside the United States in which the Liberal Establishment's control over the U.S. Government is greatly diminished. That is what Moscow fears at this juncture.

Therefore, Moscow will choose to harvest the fruit of its grand strategic deception at the brink of such general financial collapse, and not risk waiting until the early results of such a collapse might bring a new, more patriotic combination of forces to power in Washington.

That is why this particular moment of history is so extraordinarily dangerous, why Soviet actions to harvest the long-prepared Soviet imperial world-domination must be expected very, very soon.

## The staged spectacle of Honecker vs. Moscow

by Rachel Douglas

After weeks of blowing hot and cold, dropping hints in the party press and launching rumors, East German leader Erich Honecker finally cancelled his scheduled visit to West Germany on Sept. 4. The visit had been the subject of much talk relating to the “crumbling Soviet Empire” and rumored hostility between East Germany and Moscow—and Bonn politicians and others in the West talked repeatedly of a looming rapprochement between the Germanies in connection with the trip.

The talk persisted, even when, only 10 days earlier, Honecker had launched his own blistering attack on supposed West German “revanchism,” in perfect echo of the Soviet line. It persisted as Soviet and Warsaw Pact forces massed on West German borders for the ongoing Shield-84 maneuvers, continuing the biggest display of deployed armed might in Eastern Europe in over 15 years. But one would think that the visit’s final cancellation would have put an end to this fruitless speculation in Bonn about the possibility of a separate peace with East Germany.

Instead, within minutes of the announcement by East Germany’s “Permanent Representative” in Bonn, leading West German politicians were stumbling over each other in a rush to agree with the East German allegation that Honecker’s trip was off because of “undignified and detrimental” public discussion of it in the Federal Republic. Appeasers of Moscow from both the “left” and the “right” promptly blamed not the Soviets or East Germans, but the West Germans themselves.

Social Democratic leaders Hans-Joachim Vogel and Willy Brandt blamed Christian Democratic parliamentary leader Alfred Dregger, who had said the Honecker visit was getting too much attention. They demanded that Chancellor Helmut Kohl’s government publicly explain to parliament what happened to stop Honecker from coming.

Vogel denounced Kohl’s failure to quash the “disruptive

maneuvers” of Dregger. Brandt found fault with “gossipy dilettantism” and underlying resistance within the ruling parties to improving relations with East Germany. The environmentalist Green Party accused Kohl and Dregger of “provoking the cancellation.”

In nearly the same words as the socialists and the greens, the conservative president of the state of Bavaria, Franz-Josef Strauss, said he was “sorry” Honecker would not come and added: “It was not without grounds that already several weeks ago, I warned repeatedly against detrimental and superfluous talk about Honecker’s visit.”

### Behavior modification

This self-flagellation is all in the Soviet script, designed to kick West Germany into line with Soviet-written rules of conduct. Commentator Werner Kahl of the daily *Die Welt* broke the pattern Sept. 5, pointing out that the whole saga of Honecker’s visit was stage-managed from start to finish by the psychological manipulation experts of the Kremlin.

While Western diplomats and correspondents pored over the columns of *Pravda* and its East German counterpart, *Neues Deutschland*, every day for evidence of a feud between Moscow and East Berlin, Kahl observed, the special relationship of Erich Honecker and the Soviet military high command remained rock solid. The underlying reality of East Germany’s situation, distorted by the soap opera starring Honecker, is symbolized, he noted, by the imposing figure of Gen. Mikhail Zaitsev, commander of the Group of Soviet Forces in Germany. Zaitsev never left Honecker’s side at the Leipzig Trade Fair last week, as he stopped in at the West German pavilion for an instant before hastening on to that of the U.S.S.R.

The West German politician who accepts the ludicrous East German line that the words of Dregger and others caused Honecker not to come is replicating the state of affairs that

exists in Finland: namely, that there are certain things one simply does not say about the Soviet Union. Thus Vogel declares that the "behavior" of Chancellor Kohl contributed to keeping Honecker away and Foreign Minister Hans-Dietrich Genscher intones that "responsible people on both sides must now *behave* in such a way as to avoid burdening relations. . . ."

### Soviet attacks

While Honecker cancelled out, the Warsaw Pact went ahead with its display of raw military power in Eastern Europe. On Sept. 3, Shield-84 began in Czechoslovakia, including in the vicinity of West Germany's border. *Pravda* declared that this mobilization of more than 60,000 troops, on the heels of even bigger Soviet exercises in East Germany in July, was "necessitated" by West German behavior.

In an article on the simultaneously beginning Autumn Forge maneuvers of NATO, *Pravda* attacked the "provocational" role of West Germany in them, saying that the Federal Republic "has become the breeding ground of militaristic provocations on our [sic] continent." Autumn Forge, said *Pravda*, is taking place "provocatively close to East Germany," so that "the Soviet Union and other Warsaw Pact countries are forced to take countermeasures to protect their house from the dangerous outbursts of the militaristic adventurers."

On Sept. 1, *Pravda* attacked West Germany for planning to "liquidate" East Germany and warned that "war" would be the result. *Pravda's* Yevgenii Grigoryev asserted that Bonn is encouraging "revanchism" (claims on territory in the East bloc) and "pan-German views" and is "dreaming of the liquidation of the socialist German Democratic Republic." But, he warned, "attempts at revanchism, if they are carried out, will mean war."

### Defense of Germany

Unlike the politicians, some military men have taken stock of the immediate Soviet threat. On Sept. 1, West German naval forces began exercises on the North Sea and the Baltic Sea coast, to rehearse "resistance against an assault carried out from the sea by the U.S.S.R.'s Baltic forces." West German Navy commander Vice-Admiral Ansgar Bethge took the occasion to voice concern about the growing Soviet power in the Baltic. He told the daily *Bildzeitung*, "The Soviet forces have gained the capability of landing about 5,000 men and 1,000 military vehicles including tanks on the Schleswig-Holstein coast in the first wave of assault. This is a huge threat to NATO's northern flank."

According to a report in the *Sueddeutsche Zeitung*, NATO's Autumn Forge also takes into account actual Warsaw Pact military doctrine, including the massive use of chemical warfare measures and deployment of Spetsnaz (special forces) sabotage units. NATO commander Gen. Bernard Rogers on Sept. 3 called for renewed chemical weapons development, suspended by NATO since 1969.

*Die Welt* reported another important move by Rogers, the appointment of his West German deputy, Gen. Hans-Joachim Mack, to be in charge of nuclear planning for NATO. This is an unprecedented upgrading of the role of West Germany in NATO, since the British deputy to the Supreme Allied Commander has always had this job until now.

*Die Welt* commended the appointment as a "far-sighted and wise move," denoting "more integration, more trust. In other words, a better alliance—and thus in the final analysis greater security." General Mack's responsibilities will cover the entire range of nuclear weapons, from targetting to the preparation of an annual study of the nuclear needs of the NATO forces. Respecting nuclear targetting, General Mack will work in close coordination with the U.S. Strategic Air Command.

## The reactions in Western Europe

The Frankfurter Allgemeine Zeitung on Sept. 4 described the reactions in Bonn to the decision by Erich Honecker, chief of state of the German Democratic Republic (G.D.R.) and general secretary of the Socialist Unity Party (SED), to cancel his scheduled visit there. The term "Germany policy" (Deutschlandpolitik) refers to relations between East and West Germany.

[Christian Social Union Chairman Franz-Josef] Strauss: "It was not without foundation that I warned repeatedly several weeks ago against the harmful and excessive talk about Honecker's visit." Strauss maintained that he had "followed the entire development with attention and not without concern."

[Social Democratic Party chairman Willy] Brandt attributed the current situation to a "babbling dilettantism" and the "resistance concealed behind it on the part of some within the [Christian Democratic and Christian Social] Union parties to the continuation of Germany policy as it has hitherto been conducted." This, along with the deficiencies in the latest German-German negotiations, is the major reason that the previous principled agreement between government and opposition concerning Germany policy could be called into question, according to Brandt.

Minister of State Jenninger for the Federal government: "The government has taken cognizance of the decision of the G.D.R. It regrets this decision, particularly because the G.D.R. also thereby makes it known that it will not participate in the talks scheduled for this fall between the federal government and a number of leading politicians from the Warsaw Pact.

"The government cannot accept the G.D.R.'s allegation that the visit should be postponed because a public discussion

about the visit has been under way in the Federal Republic of Germany. . . . Otherwise, the preparations for the visit had progressed to the point that the length of the visit proposed by the G.D.R. and accepted by us could be considered realistic, and the visit, on this basis, could have gone ahead without friction. Discussions about a joint communiqué had furthermore shown that there were no basic insurmountable difficulties and that a number of significant common positions would have been possible.

"The federal government expects that the decision of the G.D.R. will not hinder the further development of relations between the two states in Germany, and that the dialogue desired by both sides, as well as cooperation in the interests of peace in Europe and of the people in divided Germany, may proceed."

*Writing in the conservative daily Die Welt on Sept. 5, commentator Werner Kahl dismisses the notion, circulating widely in the West, that Honecker was trying to buck Moscow—and particularly the Soviet military—by coming to Bonn.*

While Western observers every morning put the commentary columns of *Pravda* and *Neues Deutschland* under the magnifying glass to determine whether the comrades of one of these party papers had abridged or eliminated any opinion of the other organ about the gigantic speculation about Erich Honecker, *Red Star* looked upon all of this ideological hoopla with seeming indifference. The official organ of the Kremlin military, on this spectacle apparently put on for the benefit of Western public opinion by the Politburo's psychological department, demonstrated the special relationship which exists between Erich Honecker and the generals of the Red Army.

The state chairman and SED general secretary, in the evaluation of diplomats from neutral countries stationed in East Berlin, has never had any reason to fear any conflict with the interests of the top Soviet military officials, who normally do not play their role on the stage of politics, but only behind the scenes. There is no doubt that the Red Army itself was and continues to be the absolute master of the situation in the G.D.R. . . .

Although he doesn't wear a uniform, the G.D.R. state chairman feels quite at home within the circle of the Kremlin generals. . . .

Soviet Marshal Ustinov, the chief representative of the military and armaments interests in the Kremlin leadership, knows . . . how to appreciate Honecker's role among the East Berlin comrades. Without grumbling, the SED Politburo this summer agreed to the higher prices Moscow was demanding for the stationing of the Red Army in the G.D.R.

*Kosta Christitch, in Le Point, Sept. 5:*

. . . All the rumors which have been circulating this summer on the factional struggle in the Kremlin will now persist, to explain the psychodrama around Honecker's trip. Rumors

which, in their apparent candor, were not altogether innocent, considering the composition of the fighting clans as they appeared in the West German press, which obligingly echoed them.

On the one hand, there were the eternal "hardliners," like Andrei Gromyko and Marshal Ustinov, firmly set against preventing any "rapprochement" between the two Germanies; and on the other, the no less traditional "liberals," represented—how could one doubt it?—by the youngest member of the Politburo, Mikhail Gorbachev. Between those two currents were the "Brezhnevites," with none other than Konstantin Chernenko at their head, presented as a realist, as all his predecessors from Stalin to Andropov had been held to be, by the rumor mills of their era. For indeed, the Soviets have long known how to use the West's naive hunger for information for their own disinformation purposes. The summer of 1984 was no exception. . . .

Never has a leader of an East bloc country sought to acquire autonomy by carrying out a foreign policy distinct from that of Moscow. On the contrary, it is by aligning themselves totally with the Kremlin's foreign policy that some—such as Janos Kadar in Hungary—have obtained a bit of maneuvering room for the internal development of their country. . . . East Germany has never deviated by one inch from the line desired by Moscow. All its efforts have, on the contrary, gone toward the full recognition of its state identity, thus confirming the division of Germany, and, as a consequence, of Europe. . . .

[Concerning Honecker's visit], the decision uniquely belonged to the will of the Soviets whether or not to penalize Federal Germany for its submissiveness to Ronald Reagan's America.

*Jean Paul Picaper in Le Figaro, Sept. 5:*

. . . The sceptical or ironical declaration of a man close to the Chancellor, Mr. Dregger, that "the future of Federal Germany does not depend upon the honor of a visit from Mr. Honecker," seems rather understated, compared to the ferocious and fantastical attacks by the Soviet press against Bonn since the beginning of the year, with the crescendo starting in July.

The "spirit of revanchism" attributed to Bonn, as well as the insinuation that the Federal Republic was seeking, through credits, to incorporate or liquidate the G.D.R. or even Austria, or the confusion which Moscow attempts to create between the principled right of Germans to a distant reunification and the alleged hegemonic views of the good-natured Bonn government, are only a few elements of a pandemonium which the West German government has had the politeness not to notice or only to refute in soft tones.

This gallery of horrors culminated in an article in *Krasnaya Zvezda* yesterday, describing a Federal Republic infested by gangs of fascist goons, full of bars where voices are shouting for the "Führer" and the call to conquest. . . .

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## Book Review

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# Who really rules Russia today?

by Clifford Gaddy

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### The Defense Council of the USSR

by Nikolaij Nor-Mesek and Wolfgang Rieper

Institut fuer Sowjet-Studien, August 1984.

Price: 180 Swiss francs.

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Who really runs Russia? That question could not be more timely. The leadership status, not to mention the very existence of Konstantin Chernenko, has now passed into the same twilight zone as that of Yuri Andropov barely a year ago, and there is a growing probability that the Communist Party of the Soviet Union will soon be selecting its fourth general secretary in less than two years. But is the U.S.S.R. leaderless? Definitely not, if we are to judge by the actual results of policy. Far from showing signs of paralysis due to lack of leadership, the Soviet Union has in precisely these past two years exhibited more resoluteness and more consistency in its foreign policy than ever before.

In the search for an explanation for this paradox of a virtually constant "leadership crisis" on the surface and absolute continuity and purposefulness of policy on a deeper level, some Western observers have drawn attention to the existence of a shadowy institution known as the Defense Council of the U.S.S.R. They have suggested that this body, which officially would assume absolute executive power in wartime, is in fact already exercising full power today. In short, the Defense Council, rather than the Politburo, runs the country.

It was the Soviets themselves who first gave attention to the Defense Council. In the final period of Leonid Brezhnev's reign, Defense Minister Dmitrii Ustinov unexpectedly announced that, among his other posts, Brezhnev was also chairman of the Defense Council. No such mention of the Defense Council had been made for years in the Soviet Union, and Ustinov's remarks sent Kremlinologists to their reference works to find out more about the Defense Council—with little results. Since that time, Ustinov, with apparently arbitrary timing, has similarly confirmed that first Andropov and then Chernenko also held the post of Defense Council chairman.

But beyond these bare references, and assurances that the

"Defense Council is abreast of all matters [bearing upon] the defense of the U.S.S.R. from any surprise attack" (former Soviet Chief of Staff Marshal Nikolai Ogarkov in a December 1983 press conference in Moscow), the question has remained: what is the Defense Council and above all, *who* is it?

Until now, no one in the West has been able to answer those questions either—not until the publication in August of a thin booklet entitled *The Defense Council of the U.S.S.R.* by the Frankfurt, Germany-based Institut für Sowjet-Studien (Institute for Soviet Studies), which specializes in monitoring changes in the Soviet hierarchy, military and political. This publication is an exact list of the members and deputy members of the Defense Council. This work is based solely on a meticulous gridding of exclusively Soviet press sources.

The conclusion which is hard to escape is that if there is one individual who is to be singled out as the center of power and continuity, it is Defense Minister **Dmitrii Ustinov**.

Ustinov has outlived Brezhnev, Andropov, and Chernenko in his position as deputy chairman of the Council. He first became a deputy (non-voting) member of the Council back in 1957, when it was still called the Supreme Military Council, and has been a full member since 1965, when he was appointed a Central Committee secretary. Together with Foreign Minister **Andrei Gromyko** and the head of the Soviet Navy, **Adm. Sergei Gorshkov** (both members of the Defense Council since 1958), Ustinov is the senior member of the Council.

Otherwise, seniority of membership on the Council is strictly in the hands of the leading members of the Soviet High Command. Of the 13 Defense Council members, six—7, if Ustinov is included—have marshal's (or admiral's) rank: **Ogarkov**, **Gorshkov**, **Viktor Kulikov** (the Warsaw Pact commander-in-chief and a member of the Council since 1971), **Sergei Sokolov** (chief of the reserve of the U.S.S.R. Armed Forces, a member since 1967), **Vasilii Petrov** (commander of the Ground Forces, a member since 1980), and **Vladimir Tolubko** (commander-in-chief of the Strategic Rocket Forces and a member since 1972).

With the exception of Gromyko, the other five civilian members of the Defense Council are relative newcomers: Prime Minister **Nikolai Tikhonov** has been a member only since late 1980, KGB head **Viktor Chebrikov** since December 1982, and Politbureau member **Grigorii Romanov** since June 1983. Both Mikhail Gorbachev, the man most often pegged as Chernenko's successor, and Chernenko himself have been members of the Defense Council for only seven months.

Thus, regardless of who is eventually chosen to replace the ailing Chernenko, the unique information made available now for the first time in *The Defense Council of the U.S.S.R.* makes clear that the people to watch—and to know more about—will be the surviving 12 members of the Council, and particularly those 6 uniformed, senior members headed by Marshals Ustinov and Ogarkov.

# Behind the ETA Basque terror gang

*The first in a series by Katherine Kanter on the Nazi protection racket under East bloc control.*

*Euskadi ta Askatasuna*, (ETA) which means “Basque Land and Freedom,” is a little known, little written-about subject, save for blow-by-blow news reports of the latest assassinations perpetrated by the separatist gang. There is good reason: ETA is a live operation, now in the process of being transferred wholesale to Central America. As future articles in this series will demonstrate, the project implicates the U.S. State Department and foreign policy establishment, as well as—far more gravely—the Roman Curia, and the old Nazi and Soviet secret services, in what is today the most powerful branch of Murder Incorporated in the Western world, comparable in extent only to the Triad freemasonry in Asia, the world’s oldest secret society and the core of organized crime in that part of the world.

ETA is not a Spanish entity as such, and, in fact, has rather little to do with Spain, save that it perhaps will one day serve to overthrow constitutional government in that nation. The reality of ETA is a vast channel for arms, narcotics, and dirty money, covering the Black Sea-Switzerland-Belgium-Morocco route, with a sister chain in the Nazi-dominated contraband zones of Central and South America.

## Myths about ETA

Let us quickly demolish a few myths before turning to a detailed examination of the historical roots of the creation of the ETA terrorists.

**Myth Number One:** “ETA is a modern creation. It was originally a legitimate response by idealistic youth to Franco’s dictatorship.”

**FACT:** ETA is simply the modern name for hit squads similar to those run by the Carlist *requetés* (shock troops loyal to the monarchical house) of the nineteenth century, which, then as now, deployed against constitutional rule and in defense of the feudal privileges, the *fueros*, of the Vasco-Navarrese area.

Long before Franco was ever born, ETA existed in the minds of certain families of the Roman Catholic Curia, notably the Benedictines, who as future installments in this series will show, were actually a Byzantine project, and who begat the Basque Ignacio de Loyola, whose followers begat Carlism, which begat ETA.

Precisely at the point in 1952 when Franco, in an extremely rare moment of good sense, delegated industrial policy to Juan Antonio Suances, a patriot who uplifted Spain from the 26th- to the 9th-ranking industrial power in the world in little over a decade, ETA was created.

**Myth Number Two:** “ETA is a political movement.”

**FACT:** Although ETA controls a political front organization known as **Herri Batasuna** (Popular Unity), founded in 1978—the main “political” activity of which is beating up *anti-abertzale* (anti-separatist) elected officials on the street and preventing *anti-abertzale* public meetings from being held, and which unfortunately never receives less than 10% of the vote in any election—ETA’s main business involves a vast international protection racket enforced by highly trained hit squads and mafia elements. Tens of millions of dollars a year in protection racket money are obtained in both the French and Spanish Basque provinces, through well-orchestrated house calls, death-threat letters, and a few carefully selected hits.

Over the last five years, there has been a net loss of liberal professions in the Basque provinces of Spain due to this terror campaign. Large businesses are in some cases paying up to several million dollars a year to their “protectors,” in transactions which occur on the French side of the border, later deposited into Swiss bank accounts and reinvested into the huge narcotics-for-arms rings based in Antwerp, Brussels, and Central America.

**Myth Number Three:** “ETA is a liberal, left-wing organization with advanced social ideas.”

**FACT:** The project to separate the Basque provinces from Spain is a racist cult enterprise which, in its modern form, was first proposed by the Jesuit Manuel Larramendi in the eighteenth century. Basque separatism was originally understood by all as the fiefdom of right-wing extremists, convinced of the superiority of Basque blood and the Basque aristocracy, to such an extent that the Basque government did not hesitate a moment to negotiate a separate peace with Mussolini as the Civil War raged in 1937, and then, after handing over Republican war plans for northern Spain to the Italians, to propose to the Nazis occupying France that the French and Spanish Basque provinces be combined into a



single Basque national entity.

Soviet intervention in the Basque region began as early as the 1920 Baku Congress of the Peoples of the East (see *EIR* Nov. 8, 1983, "Moscow plays its Muslim card in the Middle East"), but only in the 1950s did ETA members adopt "left-wing" or "Marxian" mannerisms, to the detriment of the overtly racist theme.

## The Basques in history

Having disposed of these misconceptions, let us now take this study further, bearing in mind the difficulty of obtaining documentary sources on the modern period.

The Basque provinces were, until the mid-nineteenth century, an appallingly backward region, with a population mainly engaged in sheep farming and other pastoral pursuits, and a priesthood that functioned to maintain the population in the grip of superstition. An abundance of low-phosphorus iron ore, however, caught the eye of the British, who established a special relationship to Basque industrial interests as part of their post-1815 strategy.

The British had occupied what are now the French Basque provinces between 1100 and 1400, of which occupation their nineteenth-century policy was merely the continuation. They were unable, however, to prevent the emergence of a true Basque entrepreneurial class, the best of which lived in the hope of placing Spain once more in the forefront of world industry and science, their model being Friedrich List, author of the German Customs Union.

Prominent among them was Pablo de Alzola, president in 1899 of the Industrial League of Producers, a magnate engaged in steel, shipbuilding, and mining, a prolific writer who attacked Rousseau and Tolstoy as promoters of rural idiocy, and an industrialist who called for a high-salaries policy for the working class on the North American model:

"Higher salaries are a result of progressive education and the ambitious spirit of unceasing endeavor (*incontentabilidad*) which determines the progress of machinery. The future lies in the hands of energetic peoples, driven passionately for betterment"—from *El Colectivismo y las Reformas Sociales*, 1903.

The proximity of the Spanish Basque and Catalan provinces to their French counterparts made them the entry point for European advances in science and technology into Spain, and for the republican ideas embodied in the work of Joaquim Costa to reach the illiterate, groveling peasantry of the desert-like interior.

The Benedictines and the local oligarchy they controlled were bound to react. This evil faction had lost the first and second Carlist wars (1833-36, 1876-77) and required a change in methodology, which they found in the launching of a romantic literary movement in the 1850s—as always, 30 years behind the rest of Europe—to promote the Basque "language and culture."

Ninety-nine percent of the resulting novels were written in Spanish because, as is well known, most Basques can neither speak nor write their "mother tongue." The prototypical work of art was a novel of dripping sentimentality, *Amaya, or, The Basques in the 13th Century*, by Navarro Villoslada, a kind of bastardized Sir Walter Scott in Basque instead of Celtic garb. This literature was so overtly racist, so poorly written, that some promoters of Basque separatism raised the alarm.

"Not so" cried the *Semanario Católico Vasco-Navarro* in 1867: "History may form scholars, but does not make heroes, especially among the popular masses. Only traditions . . . popular tales, have the impetus to inflame the imagination of peoples."

Indeed, only Church intellectuals could see the challenge to feudal privilege raised by the likes of Joaquim Costa or Pablo de Alzola clearly enough to competently launch such a "cultural trend," while encouraging the publication of a large number of new works justifying the *fueros*, the feudal privileges. These works, the corpus of which forms a modern-day *Domesdaybook*, bore titles such as *The Book of Alava* or *The Seigneurie of Vizcays*, and were very similar to those prepared by the French Benedictines in the seventeenth century, in whose hands paleontology became the tool for uncovering whole new categories of feudal rights—which new categories, incidentally, were one of the causes for the French Revolution.

## Language and racialism

The leading spokesman for these Church-oligarchical Basque nationalists was Arturo Campion, historian and founder of the Sociedad Internacional de Estudios Vascos and of the Academia de la Lengua Vasca. In his works, the racist-linguistic theme which later becomes dominant springs out clearly:

"Whilst the Basque provinces preserve their original, exclusive tongue, there need be no fear that love for their much-envied privileges shall diminish, as each word uttered will remind them of the *social and political status of their fathers before them*. . . . *Tongue is nationality* [emphasis added]" (in *La Paz*, October 25-26, 1876).

At this point, one must note that the Basque language, sometimes called *Euskera*, is thought to be related to that spoken in Soviet Georgia, Hungary, and Finland—a notion promoted by the Soviets—and possibly to that of the Ainu people of Japan. It is an agglutinative language, parts of speech being added on at the end of words, as in Finnish. The difficulty of the language is so great that on the rare occasions when the magazine *Revista Euskera*, another of Campion's projects, would publish an item in Basque, it had to be ornamented with versions in 18 different, mutually incomprehensible dialects. It is no more than the truth to state that nothing in recorded history of any literary or scientific value

has ever been written in Basque, primarily because the local bishops kept the population in a state of rural idiocy so crass that the only real Basque liberation movement was that for introduction of the Castillian tongue and industrialization, which arrived together in the nineteenth century—at which point, showing great courage in opposing the likes of Victor Hugo, most Basques sensibly “unlearned” Basque.

Among native Basques today, according to figures published in 1982 by the pro-terrorist paper *Egin* itself, not more than 20% understand or speak Basque, and those who do are mainly in rural areas, which explains why the first killers recruited by ETA priests went straight from the sheeps’ udders to the machine gun. Less than half of that 20% can read anything in Basque; *Egin* never exceeds 10% Basque-language content in its pages.

### Re-schooling the Basques

Faced with these unpalatable facts of life, Arturo Campion attempted, solidly backed by the bishops, to stamp out Spanish-language education in Basque schools, and even created an association to that effect, led by Becerro de Benboa, Sebastián Montel, and Fermín Herrán.

This was followed by a campaign to prevent generalized school-learning altogether, which Campion explained in 1903 as follows: “Spanish-speaking school teachers are destroying this magnificent monument of prehistoric times, the Basque tongue [emphasis added].”

Campion referred explicitly to the Basque provinces as Arcadia, an earthly paradise, to be defended tooth and nail against industrialization: Vast factories called for hundreds of thousands of immigrant workers from Andalucía and Extremadura, provinces with a very marked Semitic (Arab and Hebrew) racial element, to which Campion’s successor Sabino de Arana would refer as *maketos* or “darkies” from the French, *meteque* meaning “of mixed race.”

The Basques, according to Campion, expressed the deep religious feeling prevalent in the rural areas, whereas “the darkies” represented a dangerous, secular, urban tendency. To him, culture is defined by race, and his slogan, like that of the Carlists to whom he subscribed, was, literally: God and Our Feudal Privileges.

He wrote: “The *fueros* are the luminous revelation of the intimate essence of our people”—in *La Paz*, June 30, 1876.

In 1877, Campion founded the Asociación Euskera, declaring that the Swiss linguistic and canton system was the model for his Arcadia, and that modern communications and travel to the Americas were the gravest political obstacle to be surmounted.

All the while, the Basque bishops intervened most actively: the Association’s first president for Navarre was the priest Esteban Obanos, and in 1882, the Bishop of Pamplona declared that the catechism would be taught in *Euskera* only, which, had it been implemented, would have meant entirely cutting off those children from the modern world.

## ‘Let France produce

by Garance Upham Phau

Imagine an electoral race in which the two opposing candidates embody the struggle between industrial capitalist republicanism and feudal oligarchism. That is the kind of campaign that is now under way in the mountainous French agricultural region of Auvergne, where Jacques Cheminade, general secretary of the Parti Ouvrier Européen (POE) and an associate of Lyndon LaRouche, is challenging former President Valéry Giscard d’Estaing in the latter’s own fiefdom, Chamalière, the second legislative district of Puy de Dome, where Giscard wants to relaunch his political career by gaining a seat in the National Assembly.

Giscard is a big feudal-style landowner in the region since he purchased the castle and estates of one Admiral d’Estaing—along with the latter’s noble title! At the market, one can still see “peasants” (for they cannot be called farmers) coming hat in hand, offering hams to “Lord” Giscard!

Socialist President François Mitterrand, who met with Giscard in Chamalière on July 6, has ordered his party to present only a token candidate in the region. Cheminade alone offers an industrial capitalist alternative to the de facto alliance of nobles and socialists.

Despite Giscard’s effort to avoid addressing national and international issues in his campaign, the very fact that the former President is running gives the Chamalière race a national focus. With the nation’s industry and agriculture a shambles, partly as a result of the austerity policies of the Mitterrand government, and with the ongoing collapse of the political institutions of the Fifth Republic, Cheminade is using the campaign against Giscard to rally the French nation behind his program for relaunching economic development and for the defense of Europe from the Soviet threat.

In his first campaign statement issued on Sept. 2, Cheminade explained why he has chosen to challenge Giscard. “I am campaigning,” he said, “against the neo-feudal and neo-liberal order around which the whole official Opposition [to the Mitterrand government] has rallied. All the leaders of the Opposition—Giscard, Le Pen, Barre, and Chirac—are taking up the monetarist themes of Milton Friedman, who was himself inspired by Nazi Economics Minister Hjalmar Schacht. . . .

“M. Giscard d’Estaing cannot pretend to keep this election at a local level. Because of his past and the ambitions he has for the future, he cannot claim to be seeking election solely on the basis of local interests. . . . We live in a very

# and defend herself!

dangerous period, we are confronted with three major challenges: a Soviet military escalation, a world financial crash, and a food crisis which the hunger cartels—Cargill, Nestle—are preparing and organizing.”

## The gutting of French agriculture

The European Community's bureaucracy in Brussels, through the good offices of the Mitterrand government, has implemented policies which threaten the utter destruction on the U.S. model of French agriculture, but much faster. Farmers are being paid to take dairy cows out of production, and already for 1984 the decrease nationwide in milk production will be 1.8 million tons. One million cows are slated to be taken out of the market in five years, half of them in the next two years.

Cheminade is counterposing to this genocidal policy a program for agricultural support, cheap credit, and food exports to starving African nations. The Cheminade electoral team has become nationally famous for its bumper-sticker in Chamalière: the drawing of a cow with her udders tied into a knot, and the slogan: “Let Her Produce!”

At the end of September, Cheminade will welcome a team of Texas farmers to Auvergne to pursue the work undertaken by U.S. vice-presidential candidate and Mississippi farmer Billy Davis when he toured France, Italy, Germany, and the Scandinavian countries in June, seeking contacts with European farmers to rebuild world agriculture.

There is not a moment to lose if France's agriculture is to be saved. There was a 10% drop in farmers' income in 1983; the meat markets are collapsing; the agricultural machinery producers can't sell a thing; and, while the most modern, best-equipped farms are contemplating bankruptcy, the less productive farmer finds it more profitable to rent his land out to provide hunting grounds for rich oligarchs!

The industry of the region has also been hard hit by the economic crisis, particularly the Michelin tire company in the vicinity of Clermont Ferrant, where thousands of layoffs are imminent. By the end of the year, it is expected that France will have 3 million unemployed.

One can see the reversal of 500 years of history. For then it was that the first great statesman and nation-builder, King Louis XI, took a land devastated by the oligarchical Hundred Years' War, fallow and unpopulated, and offered credits to those mountain dwellers less decimated by the war—such as

the people of the Pyrenees and Auvergne—to come down to the plains, join other farmers from Germany or Italy, take a piece of land and get state credit to cultivate it. In so doing, Louis XI not only restored French agriculture; he planted the seed of the agricultural revolution in Europe, brought to America a few years later.

Today Giscard and the rest of the “neo-feudal” Opposition are out to smash that heritage of French “dirigism,” the alliance between the state and industry in the interests of national development. The former president has been most outspoken on this count since his fall from power and his “treatment” at the Orthodox monastery at Mount Athos in Greece. In his book *Two Frenchmen Out of Three*, Giscard demands an end to “that state-corporation coupling begun in the Middle Ages and continued by Colbert.”

Under the influence, perhaps, of the Mount Athos monks, Giscard continues: “The human brain has two parts, each devoted to one function: The right brain is affection and intuition; the left brain is rational and cold.” In the chapter on the economy, Giscard divides “economic consciousness” into two parts, “an individual compartment and a social compartment.” From all of this he reaches the Malthusian conclusion that there is “a shortage of natural resources and an overpopulation of the globe.”

At the cattle market in Giscard's district, a team of Cheminade organizers met Giscard and tested his brain function. Their picket signs read: “The world needs more milk, send the quotas [for reduction of milk production] to the slaughter house.” Giscard came around and was stopped by one of the organizers who asked him, “Mr. President, what do you think about the agricultural crisis in the world?” Giscard patted the organizer on the shoulder a couple of times and said, “Ah, it's the POE!” Then he mumbled: “I built Europe. I created the European Monetary System. I was the architect of the Franco-German rapprochement.” The organizer then asked, “So, why are you hanging around with Henry Kissinger today?” Giscard turned pale, his right brain furiously consulted his left brain about what to do, but, finally, there must have been a short circuit, because he stared vacantly, then turned and walked away.

## The defense of Europe

The other principal focus of Cheminade's campaign is the growing Soviet threat to Europe. The candidate gave a press conference in Paris on Sept. 7, along with World War II Resistance leader Marie Madeline Fourcade, military strategist Col. (ret.) Marc Geneste, and other prominent figures to demand that France take urgent measures to prevent a Soviet attack on West Germany. Cheminade recommends: 1) placing the French forces on alert status; 2) the mass production of the neutron bomb, to be deployed along the West German border with the East; and 3) French cooperation with the United States to achieve a beam-weapon defense shield for the alliance.

# France's Mitterrand sponsors the balkanization of Africa

by Thierry Lalevée

As the "merger" between the Alawite Kingdom of Morocco and the Revolutionary Jamariah state of Libya was concretized Sept. 1, little secret was made of France's immediate interests in the matter. French socialist President François Mitterrand flew to Morocco twice on Aug. 30 and Sept. 1 to meet with King Hassan, but refused to disclose the contents of the talks on the preposterous basis that these were "private visits" only.

On Aug. 20, King Hassan had explained to his people that the idea of a merger with Libya had come to him "by chance" on July 13, while meeting with Qaddafi's special envoy Mohammed Zwi, whom he told: "Let's show them that we can be the first to unite despite the 3,000 kilometers separating us. I then added that I was ready to realize the union of both states. I myself, who was speaking, was as surprised as everybody around, and was asking myself why I had not thought about it before. . . ."

On the day of the merger, Sept. 1, during Libya's celebration of the 15th anniversary of the revolution, Qaddafi told Libyans that the Moroccan king had indeed taken the initiative, and that "if there is any difficulty, God forbid, I wash my hands."

If the idea of a merger came to Hassan "by chance," it is more likely to have been during a meeting with a Parisian. Prior to Mitterrand's visits, a stream of French advisers had flooded the kingdom, including Mitterrand's longtime personal lawyer and spokesman for the government, Roland Dumas. In recent months, Dumas, who is also the lawyer for many African leaders, has occupied various government positions, including the short-lived ministry for European affairs. He had regularly traveled to Libya to meet with Qaddafi and his advisers during the Chad crisis.

Surely not by coincidence, Dumas was in the Kingdom on Aug. 14 when the merger was announced. The following weekend, it was the turn of Mitterrand's other adviser, Jacques Attali, to make a two-day visit, followed in days by François De Grossouvre, Mitterrand's special adviser on international and intelligence matters.

When the French President made his first unannounced "private visit" to Morocco on Aug. 30, Minister of Foreign Affairs Claude Cheysson just happened to be in Tunisia, which just happened to follow a short visit to Algeria. When

Mitterrand made his second visit to Morocco on Sept. 1, it was the turn of Defense Minister Charles Hernu to be in Chad, which just happened to follow a visit to the Central African Republic. On the latter trip, he was accompanied by a high-level French military delegation which included Mitterrand's chief-of-staff, General Saulnier, Hernu's director of cabinet, Rear-Admiral Goupil, and the chief-of-staff of the French Rapid Deployment Force (FAR) in Chad, Gen. Guy Forray.

A few days later, a special emissary, Guy Georgy, former ambassador to Teheran, Tripoli, and Algiers, was sent to Libya to give Libya's Major-General Jalloud a special letter from Mitterrand for Qaddafi.

## Selling out Central Africa

Such a heavy diplomatic deployment naturally gave rise to much speculation on both sides of the Mediterranean and the Atlantic, and Mitterrand has come under much pressure to explain the nature and purposes of French policy. But the government isn't talking. Only upon the express request of the opposition parties within the parliament has the government finally agreed that in mid-September, Claude Cheysson can be interrogated on the matter. Otherwise, government spokesmen have only stated that whatever was discussed and arranged during the diplomatic flurry "will not become concrete before at least three months or perhaps even a year," to quote the Sept. 6 issue of *Le Monde*.

Such a defensive "leak" seeks to hide a very cynical deal. The talks did not merely focus on the crisis in Chad, whose northern part is still occupied by Libyan armed forces and their puppet organization, the GUNT of Goukouni-Weddei. They encompassed broader issues based on the willingness of Paris to reach a *modus vivendi* with Libya—whatever the consequences for North Africa as a whole.

In substance, the France of Mitterrand has been looking for a pretext to withdraw from Chad and leave the country to the mercies of the marauder in the north. This pretext has now been provided by the Moroccan-Libyan merger, which was encouraged by Paris from the start, for that reason. Using a guarantee from Morocco, whose military and intelligence services are now, at least technically, one and the same as Libya's, Paris could arrange withdrawal from Chad in a mat-

ter of months, even while Libyan troops remain in the strip of Aouzou which they have occupied since 1971.

While several other rationales, such as the financial burden of maintaining a military force in Africa, have been propagated, ultimately, it is the French government's unwillingness to confront Libya and risk antagonizing Qaddafi's big brother, the Soviet Union, which is governing policy. Mitterrand is bending to the "New Yalta" policy of Henry Kissinger and Lord Carrington. But making deals with a Qaddafi, as the London *Guardian* notes, could cost Paris much, and Mitterrand, may "end with a lot of diplomatic eggs on his face."

### **New strength for Qaddafi**

Mitterrand has already managed to produce a political and diplomatic crisis between Algiers and Paris of the kind not seen for years. Calling French diplomacy what it is in fact, the Algerian paper *El Moudjahid* asserted Sept. 3 that the wheelings and dealings of Paris meant that the "French neo-colonialist establishment is again decisively guiding the behavior and actions of Paris toward Africa." True enough, but for the omission that this "establishment" these days is to be found among the bureaucrats of the Socialist International in Paris, who want to appease both Moscow and Tripoli.

Algeria's quick reaction to Mitterrand's visits with Hassan, after it had remained silent for days following the Aug. 14 Oujda meeting between Hassan and Qaddafi which arranged the merger, was surprising. Some press sources speculate that there is a growing fear in Algiers that former President Ahmed Ben Bella, the avowed Nazi who leads an Islamic fundamentalist opposition and has been generously financed by Qaddafi, may now be able to use Morocco as another base of operations. The French government has also behaved in a very complacent way toward Ben Bella and his supporters.

While Mitterrand was meeting King Hassan, Qaddafi was calling on Aug. 30 for the "liberation of the French colonies" in the Caribbean and the South Pacific. So much for the "Qaddafi is moderating his position" line circulated by the circle of Henry Kissinger, Vernon Walters, and others in the West to cover for their hand-over of the Maghreb to the Soviet sphere of influence. Such rantings and ravings as those of Aug. 30 were to have occurred only "prior" to the merger, effective Sept. 1; Qaddafi was thereafter sure to change so as not to antagonize his new ally, King Hassan.

But on Sept. 1 itself, Qaddafi reiterated his attacks against France, Britain, and the United States for "genocide against the red Indians and the blacks," announced that he had sent Libyan troops to Nicaragua, and made a point of underlining that, for the first time, the Libyan military parade was not organized from East to West, but from West to East; a direct warning to his immediate neighbors on the East, Egypt and Sudan. Believing that Algeria is now trapped and that Paris is ready to turn a blind eye to his southward expansion,

Qaddafi feels free to concentrate on his dreams of a "popular revolution" in Egypt and Sudan.

The advantages to Qaddafi of France's cowardly policy are thus evident to all. The Egyptian media were the first after Algeria to denounce the consequences of the new unholy Morocco-Libya alliance, which even such countries as Kuwait have welcomed without mentioning the very visible satisfaction of Moscow. At the beginning of July, Qaddafi had sent MiG-25 pilot Mohamed Hassan Baltamer to Egypt with the mission of bombing the Aswan Dam. Instead of committing such a dramatic action, Baltamer chose the course of sanity and asked political asylum of the Egyptian authorities; a rather embarrassing move for Qaddafi who is reported by the Sept. 6 *Al Ahram* to have offered no less than \$5 million to Cairo if the pilot and the plane were sent back to Libya. Egyptian President Hosni Mubarak refused to even meet with the Libyan special envoy, and rejected the deal. In any case, Cairo has some grounds for worry.

### **Will Morocco be sacrificed?**

The real victims will be the Moroccans and the Maghreb region as a whole, because, whatever the King may have said on Aug. 20, they know they were pushed into such an unholy alliance, primarily for economic and financial reasons. They also know that Paris has played more than a double-game in regard to the Polisario guerrillas in the Sahara, which have received the overt support of Algeria. Indeed, most Polisario attacks against Moroccan forces recently have been launched from the same Mauritanian territory which, as *Le Figaro* revealed Sept. 5, is under extensive surveillance and frequent patrol by French forces equipped with Jaguar surveillance planes. If Paris is thus informed of the Polisario activities, and did not pass along this intelligence to Rabat, the reasons are clear: Paris has played the Polisario as a means of driving a wedge between Algiers and Rabat, a wedge that aided in driving Rabat into the arms of Tripoli.

The Moroccans are not naive regarding the cynical deal-making and manipulations of the French Socialists. On the contrary, Morocco knows that Paris, Bonn, and Rome as well as Anglo-American strategists are ready to sacrifice it to their global strategy. As the merger becomes effective at the level of heads-of-state and ministerial coordination, therefore, both Morocco and Libya are engaged in a race against time, in terms of which of the two will be able to gain maximum benefits in the shortest period possible—before the alliance is broken, which certainly will occur. Qaddafi has little to lose and everything to gain. He will play for time, "using new tactics to change the equilibrium of the Arab world and the Maghreb . . . biding his time and continuing covertly with the same policy he has always had . . . which means to ultimately overthrow the Moroccan monarchy," to quote a European diplomat.

The private visits of Mitterrand to the Maghreb could thus have some very public consequences.

# Kissinger, drug mafia seek Betancur overthrow

by Valerie Rush

One of Ibero-America's leading cocaine traffickers has joined with at least two of Henry Kissinger's Central American puppet-presidents in making unprecedented attacks against Colombian President Belisario Betancur and against his historic peace initiatives both at home and abroad.

The attacks against Betancur are a scarcely veiled call for a coup against his government, on the part of those forces internationally who are terrified that his amnesty program for guerrilla groups will not only succeed in stabilizing Colombia—the gateway between violence-torn Central America and the rest of South America—but may also serve as a model for how the Contadora group, founded on Betancur's initiative, could achieve a similarly negotiated ceasefire in the Central American free-fire zone.

In a well-publicized open letter to Colombian Bishop Darío Castrillón dated Sept. 4 and sent from "somewhere in exile," fugitive cocaine king Carlos Lehder Rivas charged that Betancur's war against drugs was a farce and demanded that Betancur admit—"if not publicly, then at least to his confessor"—that he had accepted close to one million dollars from the country's leading drug traffickers in addition to using their private airplanes and helicopters in his 1982 electoral campaign.

Joining Lehder's campaign was El Salvador's President Napoleón Duarte, who charged that Betancur's truce with the Colombian guerrilla movement was "superficial and inconsistent" and guaranteed not to last 24 hours—an accusation all the more outrageous since Duarte made it on the eve of a scheduled Sept. 19 visit to Colombia to meet with the target of his attack.

Duarte is run by Henry Kissinger's networks based in Venezuela, in particular former Foreign Minister Aristides Calvani.

Colombians from across the political spectrum were shocked at the crudeness of Duarte's accusations and publicly charged the Salvadoran President with showing "disrespect" toward his Colombian colleague. Duarte's ambassador in Bogotá was forced to "clarify" his President's comments by explaining: "The Colombian example is praiseworthy, but

each country has its own dynamic for solving its own problems."

Just days earlier, another top Central American Kissinger-crony, Costa Rican President Luis Alberto Monge, issued a public attack on the Contadora Group—something no regional president has dared to do until now—and made it clear that he much preferred the framework of the Kissinger Commission on Central America to deal with the region's crisis.

Monge's assertions that the Contadora peace efforts have been ineffectual and that other negotiating frameworks should be sought were rejected by Colombian Foreign Minister Augusto Ramírez Ocampo who insisted that the crisis in Central America meant that this was a time for "great decisions" and not the time to turn one's back on Contadora.

## Enemies from within

Inside Colombia, Betancur has had to contend with a rumor campaign orchestrated by his enemies to the effect that a military coup was imminent because of Betancur's "concessions" to the guerrillas.

Two separate stories, both published on Sept. 1 by the anti-government daily *El Tiempo*, helped launch the rumor campaign. The first was taken from the Kissinger-linked Madrid magazine *Cambio 16*, which alleged that a "colonels' coup" against the government had just barely been averted that very week. According to the *Cambio 16* report, the middle-level officers involved in the coup attempt had justified their rebellion by pointing to guerrilla violations of the just-signed amnesty as proof of its unworkability.

The second article was based on a just-released report by the New York-based risk analysis firm Frost & Sullivan which predicted "an at least 25 percent chance of a military coup in Colombia sometime during the last year of Betancur's term." Contributing factors to the coup threat, according to the Frost & Sullivan report, are Betancur's "increasingly leftist foreign policies" and his "growing concessions to the guerrillas."

## A continent-wide destabilization

The attacks against Betancur are the leading edge of a campaign against all the leading anti-drug fighters of the continent. In Bolivia, where President Hernán Siles Zuazo has been threatened directly by the Nazi International (see *International Intelligence*), Interior Minister Federico Alvarez Plata placed the armed forces and police on alert Sept. 7, in response to rumors of plans to assassinate political, military, and labor leaders. The impoverished nation of Bolivia has become the cocaine center of Ibero-America, and Alvarez Plata is under heavy fire for his alleged violation of the drug traffickers' "human rights."

As we go to press, unconfirmed rumors are circulating that the continental ministerial-level meeting set for Santa Cruz, Bolivia on Sept. 11 to discuss the next step in the war on drugs has been cancelled.

## Beneath Ulloa's masks

*Every advocate of legalizing drug traffic is eventually caught with his hands "in the powder!"*

To those hunting the "men above suspicion" protecting the drug trade in the Andean region, *EIR* recommends an intensive investigation into the friends of Mr. Manuel Ulloa, Peru's businessman *cum* politician, as a matter of urgency for the region.

If Peruvian weekly *Equis X* is right, more than Ulloa's well-known ties to the Rockefeller family's business interests would be unmasked by such an investigation.

In May, 1982, *Equis X*, charged that then-Prime Minister Ulloa maintained business and personal ties with the *Malpartida* family, a father-son team coordinating a *Lima-Caracas* drug-trafficking route. From Caracas, the route then splits to several other points: to California and then New Orleans or Hawaii, to Paris and then Miami, and to Bogota and then California.

Luis Malpartida, father, is "known widely" as an important business associate of Ulloa, *Equis X* claims, and Ulloa has, for years, been a friend of Malpartida son Oscar's wife, *Susy Dyson Gibson*.

*Susy*, in turn, is the niece of *Enrique Zileri*, director of one of the magazines in Ulloa's publishing empire, *Caretas*. *Zileri*, financially backed by father Luis, is also considered the "political uncle" of son Oscar, *Equis X* says.

The *Malpartidas*' have actually admitted their drug-running. In April 1974, Luis Malpartida was detained in the northern port of Pimental with 27 kilos of refined cocaine, on his way to his son waiting on a yacht offshore.

Luis added to police that he entered the drug business to "help" his son, already "involved in drug-traffic for some time." To lessen the risks for his son, Luis explained, "I, with my years and my experience, have taken control and command of the business."

Given light sentences, both father and son were free by the end of the year. In August 1977, both were arrested again for cocaine trafficking. Police records show, says *Equis X*, that, at the time, the *Malpartidas* were using as traffickers more than 20 young members of families from Lima's "high-society" with "very-well known oligarchic names," providing false passports through a document-falsifying ring in Peru and El Salvador.

*Malpartidas*' fortunes were placed in the *Suisse Banke* of Panama, as well as Paris, Madrid, and the United States, but their main center of operation was Caracas, says *Equis X*. There they stayed in the Hotel King, and used a shell-company, "Difusora Panamericana"—translated, Panamerican Distributor—for their operations!

Is all this true? *EIR* cannot vouch for *Equis X* information, nor its motivation for publishing it since there are those who say *Equis X*'s interest in the matter stems from its own connections to the underground upon which the *Malpartidas* of the world feed—an "intermafia" fight.

But Ulloa, to *EIR*'s knowledge, has never challenged *Equis X* accusations, and *Equis X* suggests it was Ulloa, who as prime minister, squelched an investigation by the attorney general into the *Malpartidas*.

In Nov., 1982, a new magazine appeared on Lima's stands *Acierto* which reported that Ulloa's fourth wife, a Spanish woman named Isabel Zorraquin, had been detained in the recent period by New York Customs—with 3 kilos of cocaine in her possession. The charges were buried, said *Acierto*, which itself disappeared quickly from the scene.

*Equis X*'s leads are intriguing, but it was Ulloa's endorsement of arguments favoring the legalization of the drug traffic that provoked *EIR* to order an international investigation into Ulloa. Under present conditions in the Andean region, there are two kinds of people: those who have declared drug-trafficking a "crime against humanity," and those who suggest drug trafficking is "impossible to eradicate"—to justify enjoying the profits of death.

Ulloa, in an interview with *Debate 24* magazine earlier this year, argued for enjoying the profits. Coca plants "could perhaps come to have a similar importance to tea and coffee" for income, the former finance minister stated, and thus open "unsuspected horizons and allow for the channeling of the greater part of coca production to a legal market."

Ulloa has already made clear he has something to fear. As *EIR* reported last week, Ulloa's press empire has launched a slander campaign against this magazine and its collaborators in Peru. When the Andean Labor Party took to the streets of Lima to mobilize for a massive "war on drugs," the above-mentioned *Caretas* magazine, Channel 5 television, and Radio Programas de Peru—all owned by Ulloa—began screaming "fraud." Imagine, a political party taking up the cause of a war on drugs!

*Caretas*, in English, translates as "masks." Lima's citizens are now asking: What Lies Underneath the *caretas* of Ulloa?

## **Delle Chiaie runs Peru's terror cult**

*The Peruvian government's effort to crack down on the "Shining Path" terrorists has uncovered the footprints of Stefano Delle Chiaie, Italy's top fugitive terrorist.*

**S**tefano Delle Chiaie, the notorious fugitive terrorist hunted for years by Italian magistrates for his role in one of modern history's most grisly terrorist crimes—the 1980 bombing of the Bologna railway station which killed 85 people—is now exposed as a controller of the Peruvian terrorist cult "Shining Path" (Sendero Luminoso).

"Delle Chiaie," reports the Italian magazine *Panorama*, "has infiltrated the most fanatic and mysterious of the Latin American groups, Sendero Luminoso. . . . Its leader, a former philosophy professor, Gunzman, has stated that it rejects modern industrial culture—both capitalist and socialist."

According to a report by the Peruvian police, continues *Panorama*, Delle Chiaie organized one of the most spectacular actions of Shining Path, the terrorist assault against Lima on May 28, 1983. In the northeast of Lima, where the Peruvian government is attempting to convince farmers to end drug cultivation, Delle Chiaie has organized the drug traffickers to merge forces with the Shining Path.

*Panorama* also reports that, according to the Bolivian police, Delle Chiaie was involved in the kidnapping of Bolivian President Hernan Siles Zuazo earlier this year. The involvement of Delle Chiaie in the kidnapping was also confirmed in an interview with the Milan daily *Corriere della Sera* by President Siles himself.

This is not the first time Delle Chiaie's name pops up in connection

with Bolivia, the world's largest producer of the coca leaves from which cocaine is produced. Two years ago, Delle Chiaie narrowly escaped arrest when his closest collaborator, Pierluigi Pagliai, was wounded and captured in October of 1982 by Bolivian police who extradited him to Italy where he faced charges for his role in the Bologna massacre.

Delle Chiaie has also been exposed in court testimony as a member of the ultra-secret Freemasonic lodge, the Comité Montecarlo. The Comité was identified by Elio Ciolini, a "repentant" member of the outlawed Propaganda-2 masonic lodge, as the arm of P-2 responsible for overseeing illegal trade in weapons and narcotics. P-2's Venerable Grand Master, Licio Gelli, himself a fugitive from Italian justice believed to be hiding somewhere in Ibero-America, began his infamous career as a thug in Mussolini's secret police, the Ovra.

Another member of the Montecarlo lodge, according to Ciolini's testimony, is Dr. Henry A. Kissinger. Kissinger had been sought for questioning by Italian magistrates in connection with the 1978 Red Brigades kidnapping and assassination of former Italian Prime Minister Aldo Moro, since Eleanora Moro testified in court that Kissinger had threatened her husband's life. Kissinger failed to appear to testify.

Delle Chiaie had already achieved notoriety as a terrorist leader even before the Bologna incident. Together

with the Swiss businessman Hans Albert Kunz, he set up an office in Tehran in charge of the smuggling of light and heavy weapons on behalf of the Khomeini regime. The weapons were paid for in illegal narcotics. It was the enterprising businessman Kunz who helped organize the kidnapping and assassination of Banco Ambrosiano President Roberto Calvi, victim of a bizarre Freemasonic ritual murder under the Blackfriars Bridge in London.

Delle Chiaie's career as a Nazi-communist began in the early 1960s as a founder of the self-proclaimed "Nazi-Maoist" sectlet and then later as the leader of the right-wing Avanguardia Nazionale, the Italian offshoot of Aginterpres, the Nazi center in Lisbon led by Otto Skorzeny and former leaders of the Allgemeine SS.

Stefano Delle Chiaie currently heads a 2,000-man private army financed with millions of narcobucks to defend the coca plantations and the cocaine routes. Delle Chiaie himself is not just the executor of the orders of the drug mafia, he is an "intellectual" advocate of drug culture. Though wanted for many years now by Italian police, he is at liberty to release long interviews to Italian papers and magazines on the necessity to defend what he describes as the local popular culture of cocaine. He declares himself to be "against both communism and capitalism," like Shining Path mentor Gunzman and French fascist anthropologist Jacques Soustelle.

Soustelle is a specialist in ethnology and tribalism, a controller of separatist movements aimed at destroying nation-states. Through the activities of Survival International, an organization in which Soustelle is a key figure, he controls "indigenous" terrorist groups such as Shining Path, as well as the international Nazi-communist networks represented by Delle Chiaie.



## Playing the New Yalta game?

*Vatican actions suggest that someone wants to peddle the fairytale of the "crumbling Soviet empire."*

Echoes of the bitter regret expressed by the Pope about not having been able to participate in the celebrations of the 500th Anniversary of Lithuania have reverberated through the international press. The Vatican's decision to make public Moscow's refusal to allow John Paul II to attend has only one precedent in Vatican diplomacy: the protest made by Paul VI over a trip to Poland that never came off, on the occasion of the "Polish Millennium" in 1966.

Paul VI said at the time, "This pilgrimage has not been permitted to us." Now, Pope Wojtyla, expressing himself in a similar way, declared: "It has not been given to me to take part in these celebrations," and added that an entry visa was also denied to his legate, Cardinal Agostino Casaroli, the Vatican secretary of state and architect of the Vatican's "Ostpolitik" (opening to the East).

Among the many articles and commentaries provoked by the episode, it is enlightening to take note of an entire page dedicated to the topic by the Roman communist daily, *Paese Sera*. The Soviet authorities' refusal of the visas, according to the newspaper, is not so much due to a freeze in the relations between the Vatican and the Kremlin, since Cardinal Casaroli had already gone to the Soviet Union several times, but to their decision to avoid possible explosions of conflicts in Lithuania. The journalist observed that in that republic, Catho-

lics number 2.5 million out of a population of little more than 3 million inhabitants, and the visit of the Polish Pope or his envoy could have sparked off "patriotic" demonstrations—conflicts between the Church and the civil authorities—as occurred during the Pope's trips to Poland.

That a *communist* newspaper should give credence to the thesis of a growing instability in the East bloc countries, and of the existence of conflicts about to explode, should surprise no one. It all has to do with the new fairy tale being dangled before the Reagan administration by the two "New Yalta" negotiators, Henry Kissinger and Lord Peter Carrington, according to whom the Soviet empire would not signify any threat to the West because it is too weakened by the centrifugal thrusts within its boundaries, and cringes under the sword of Damocles of possible revolts fomented by Catholic networks.

Giving further credence to this thesis of the bombshell spiritual power which the Catholic Church supposedly has in the East European countries, it just happens that the celebrations of the 1,100th anniversary of the death of Saint Methodius, the missionary who converted the Slavic peoples, are imminent.

According to the Catholic daily of the Milan Archdiocese, *L'Avvenire*, a fight has broken out between the Orthodox Church of Moscow and the Catholic Church of Rome over who

will take control of the celebrations of Methodius. "Does Moscow Want to Capture Methodius?" headlines the daily, and writes: "An underground invitation has come from Prague. The 1,100 years of the death of Methodius could be the appropriate spot for an 'ecumenical' celebration directed by the church of the 'Third Rome.'" *L'Avvenire* continues: "This would be the best way to 'neutralize' the Roman initiative, which is encouraged by the petition of 17,000 Czech Catholic believers who signed the invitation to Pope Wojtyla to come on April 6 to Velehrad, where Methodius is buried."

One wonders whether there is not somebody in the Vatican who is one of the "brains" of the New Yalta deal and is pushing President Reagan into a trap. For example, Vatican policy in Nicaragua: The ongoing clash between the Catholic authorities of Rome, and the Sandinist priests who have been ordered to leave their government positions cannot be read solely from the standpoint of conflicts in the Catholic hierarchy and over canon law. The open hostility taken up by the Church in Rome toward the Sandinista government is being played by those U.S. forces around Henry Kissinger and roving State Department envoy Gen. Vernon Walters, who have planned, down to the smallest details, for a United States military intervention into that country.

We're not defending the Nicaraguan government here, but as U.S. presidential candidate Lyndon LaRouche has stressed on a number of occasions, that would simply be an operation to throw the United States into a Vietnam-type conflict and to turn it into a pliable instrument of the International Monetary Fund, which would like to use American military force as the means of collecting debt payments in the developing countries.

## Breakdown in Athens

*The stage-managed selection of a new opposition-party leader sheds light on the civil-war threat.*

In the aftermath of the two-week intrigue period at the island of Corcyra, after the resignation of Evangelos Averoff-Tossitza as chairman of the conservative opposition party "New Democracy," a new party leader was elected by that party's parliamentary fraction, Mr. Constantine Mitsotakis, a shipowner from the island of Crete, and member of a political family with longstanding connections to the Freemasonic wing of Western European liberal parties such as Britain's Liberal Party and Hans-Dietrich Genscher's West German Free Democrats. Mr. Mitsotakis is distinguished by two qualities which, in the present context of political crisis in Greece, spell disaster for that fast-disintegrating nation.

First, Constantine Mitsotakis is not a man of loyalties either to his nation or to his party. Second, he has over the years exerted a kind of personal psychological terror over his chief opponent, Prime Minister Andreas Papandreou, a kind of terror which forces Andreas to hastily leave the room when Mitsotakis enters, to even leave the parliament chambers when Mitsotakis speaks, etc. The source of this terror which Papandreou experiences in the presence of Mitsotakis is not generally known.

On the day of his election, Sept. 1, Mitsotakis gave a press conference, which was carried over the country's electronic media, in which he challenged Papandreou to a public debate for the purpose of clarifying one particular point: the respective role that

the two men played during the July 1965 events which led to the downfall of the liberal-centrist government of George Papandreou, Andreas's father, in which both Andreas and Mitsotakis were serving as ministers. Mitsotakis insinuated that Andreas was the minister who was responsible for his father's downfall. Andreas's own known oedipal psychological profile, plus certain known facts from that period, would make the allegation credible.

The prime minister's retaliation came the following day: In a nationally televised interview, he characterized Mr. Mitsotakis as a "traitor" to his country, as a "degenerate," and the body which elected him, the parliamentary fraction of "New Democracy," as a body of "proven degeneracy." Furthermore, he announced that there will no longer be direct meetings between the prime minister and the head of the principal opposition party in parliament. Any consultative meetings between the government and the opposition mandated by the Constitution will be handled in meetings between Mr. Mitsotakis and a cabinet minister representing Mr. Papandreou.

As was pointed out by the entire daily press in Athens, Papandreou's response to Mitsotakis' psychologically well-aimed provocation signals the virtual formal dismantling of due "constitutional process" as established in the last 10 years under the careful supervision of the President of the Republic, Constantine Caramanlis.

Whatever the secret agreements during the Aug. 2-17 "Corcyra intrigues," they evidently included decisions which were deliberately aimed at blowing up this fragile constitutional arrangement. Before the "Corcyra intrigues," it was not self-evident that either Averoff-Tossitza had to resign as leader of New Democracy or that Mitsotakis would have to replace him. The persons who made and enforced the Mitsotakis selection were primarily concerned to emphasize and give play to the destructive personal passions between Mitsotakis and Papandreou. In short, they were planning for a civil-war scenario.

Those same behind-the-scenes puppeteers knew that this civil war would be presided over by the newly appointed Soviet ambassador to Athens, Igor Andropov, the son of Yuri. The civil-war scenario is, in fact, part and parcel of the projected rearrangement of political forces and coalitions in Greece which will make that country amenable to whatever its status will be under the "New Yalta Agreements" which Lord Carrington and Henry Kissinger are now arranging with Moscow.

The foolishness of this column, which since May of this year has been warning against the eventuality of a bloody civil war in Greece, has been that we initially imagined that the threat of civil war was deriving from the stupidity, selfishness, and petty power hunger of the political figures in charge of public affairs there. In the aftermath of the Corcyra intrigues and the so-called "Mitsotakis opening," we are led toward the conclusion that the horrible spectre of civil war has been the cold, calculated objective of numerous individuals inside Mr. Papandreou's Pasok and Mitsotakis' New Democracy Party, the stage managers of a bloody new Greek tragedy.

### Toward the final phase of partition

*The partition of Lebanon continues, moving along the lines of the Bernard Lewis Plan—and Syria may be next.*

Since the shameful withdrawal of the multinational peacekeeping forces in Beirut last spring, events in Lebanon have for the most part passed unnoticed. The blanket of silence over the daily drama of the Lebanese nation has been imposed to cover the final steps in the partition of the country according to the plan put forward by then-Secretary of State Henry Kissinger as early as 1970.

That Lebanon is being fractured into pieces now, as Kissinger and his friends are launching a bid for power in a second Reagan administration, is no coincidence. Kissinger's Mideast friends, from Israel's Ariel Sharon to Syria's Hafez al Assad, have felt most encouraged by news coming from Washington. Assad said as much to *Le Monde* on Aug. 1 when he praised Kissinger as "different from other American politicians. He has a global view of the future. It seems to me that often he had a better view of Israel's interests than the Israelis themselves." Assad was returning Kissinger's own compliment. In his memoirs, Kissinger characterized Assad as one of the "most intelligent Middle Eastern leaders" he had ever met.

This exchange underlines the strange relationship between Washington and Damascus and the fact that under Kissinger's influence, the State Department has dismissed Assad's military alliance with Moscow as "irrelevant" in dealing with Lebanon. Secretary of State George Shultz wrote on Aug. 15 to Kenneth Bialkin of the Conference of the Presidents of Jewish Organizations that although Da-

mascus was "impeding" talks between Beirut and Jerusalem, Syria had changed its tactics "and now supports the central government in Beirut. In that sense, the United States and Syria have similar goals."

These similar goals refer to the negotiations in Geneva between Hafez's brother Rifaat al Assad and Ariel Sharon, where the corpse of Lebanon was divided between "Israeli and Syrian spheres of security."

Damascus is supporting Lebanon's government, but has ensured that the power of that government goes no further than greater Beirut. Even in that zone, central decisions are hampered by the warring Muslim and Christian factions. On Aug. 27, Shi'ite Muslims stormed the Saudi embassy, an act aimed against Sunni Muslims. In addition, the death in late August of the Lebanese army's chief of staff Gen. Nadim Hakim, in a helicopter crash, has weakened the Lebanese army's ability to function as a unifying force. The death of Falangist *padrone* Pierre Gemayel, father of President Amin Gemayel, has also fueled speculation of greater factionalization among the Christian groupings in the country.

In northern Lebanon, Syria has imposed its own control over the region and the economically important port of Tripoli. In recent weeks, Damascus has begun to destroy any opposition to its rule, such as the Islamic Unity Movement of Sheikh Shabaan, whose crime is its support for PLO chief Yasser Arafat. In the central Bekaa valley region, the Syrians have

moved against the Iranian Hezbollah in Baalbeck—only because the Syrians alone want to control the region, as agreed upon by Sharon and company.

The Israelis are withdrawing from southern Lebanon, but few expect the Beirut government will be able to establish control over the predominantly Shi'ite region which is dominated by the Al Amal militias of Nabih Berri, whose visits to Moscow have become as regular as his visits to Damascus.

Furthermore, as Radio Jerusalem reported Sept. 3: "It may be a question of weeks until an independent Druze state is created." The Druze, now embroiled in a fight with Syria, are building their own ports on the coast in an effort to achieve self-reliance. Whether a Druze state would be led by Walid Jumblatt is an open question; no one can forget the Syrian assassination of Walid's father, Kamal, in 1977. Though the creation of a Druze state is wished for by both the Syrians and the Israelis, who look at it as a buffer zone, Walid may prove too vocal and independent-minded. As a good feudal lord, Hafez al Assad has taken his precautions—Walid's own sons are being effectively held hostage in Damascus.

Hafez al Assad may be dying, but Syria will rule over Lebanon before his death. However, the historical irony may be that Assad's own death will lead to the "Lebanization" of Syria itself. The plan of British intelligence's Bernard Lewis, which has dictated Kissinger's destruction of Lebanon, calls for the break-up of all the nation-states of the Middle East. Lebanon is the model for the future of the region, and it is not surprising that although Kissinger has a deal with Assad, he has promised nothing yet to Assad's potential successor. Nor have the Soviets.

## Can Palme keep Sweden 'neutral'?

*Some among the elites have reached the conclusion that "if it blocks the road of the U.S.S.R., neutrality doesn't exist any longer."*

**P**rominent representatives of Sweden's foreign policy elite have begun openly to question whether the traditional form of neutrality that has heretofore enjoyed the status of a state religion is any longer fit to serve Sweden's interests.

Using examples derived from modern history, both active and retired senior diplomats have pierced the iron curtain of silence imposed by Social Democratic Premier Olof Palme upon the deliberation of Swedish security policy, and have pointed to the unlikelihood that Swedish neutrality would long deter the ruling Soviet marshals from grabbing control of the Scandinavian peninsula, in case of war in Europe.

Ingemar Hägglöf, the 72-year-old retired ambassador to Moscow, paints a vivid picture of Soviet contempt for Swedish neutrality in his just-released memoirs, *My Years with the Russians*. In the fall of 1943, when Hägglöf served as Sweden's second-ranking diplomat in Moscow, Soviet Foreign Minister Vyacheslav Molotov demanded that Sweden—then encircled by Hitler's Wehrmacht—be forced to provide air bases for allied attacks against Germany.

Later, Molotov threatened that Sweden would not be able to stay independent, but would soon be forced to follow Finland's path.

The conservative daily *Svenska Dagbladet*, in a review of Ambassador Hägglöf's memoirs published Sept. 3, approved Hägglöf's view that Molotov's conduct is "proof of the Russians' not respecting our neutrali-

ty, except if it serves the interest of the U.S.S.R." Writes Hägglöf: "If it blocks the road of the U.S.S.R., neutrality doesn't exist any longer."

The day before, current Moscow Ambassador Torsten Örn argued in the same newspaper that neutrality may indeed turn out to be an illusion. Örn made his observations in a review of an American study of "The Guarantee of Belgian Independence and Neutrality in European Diplomacy, 1830-1930," by Daniel H. Thomas.

Beginning in the 1870s, Belgium adopted a course of "unarmed neutrality," hoping that a Great Power balance in Europe would ensure Belgian independence. That policy proved bankrupt, Örn reported, when German Gen. Alfred von Schlieffen out of military necessity moved his troops across Belgian territory in World War I.

To make sure that the Swedes—and the Kremlin—do not miss the point, Örn put forward Belgium's later NATO membership as an appropriate lesson of history, and concluded: "Even if Thomas's work deals with a past epoch, it does offer fascinating and thought-provoking reading for anyone who is interested in the specific problems of the neutrality policy of a small state in uneasy times."

The current defense debate was sparked by the campaign for Sweden to join the Western alliance, organized by the European Labor Party. On Aug. 30, at a rally attended by 400 people, ELP chairman Kerstin Tegin-Gaddy was joined in denouncing Palme's plans to Finlandize Sweden

by Alf Enerstroem, the leader of the opposition to Palme inside the Social Democratic Party; Hans Ericson, the former chairman of the National Transport Workers' Union; and Thorwald Arvidsson, a pro-NATO Social Democrat.

However, not all voices are being raised in favor of a closer relationship to the West. Writing in *International Studies*, the journal of Sweden's Institute for Foreign Affairs, Prof. Steve Lindberg of Turku, Finland offers his own formula for appeasement of the Soviet Union.

While dismissing both an alliance with the West and an outright accommodation with the U.S.S.R., Lindberg wants to replace the "status quo" option—traditional neutralism—with a "Finlandized Great Power Sweden," based on a strong defense in combination with a policy of "confidence" vis-à-vis the U.S.S.R. Such a policy of armed accommodation with Moscow would be the best for Sweden, Lindberg says, because "if the U.S.S.R. is displeased with traditional Swedish neutrality, there is a risk that the violations of neutrality will be escalated if Sweden doesn't change."

Indifferent to the capitulation to the current Soviet threat contained in those words, particularly after recent news about Soviet Spetsnaz special commando unit landings in Sweden, Lindberg shamelessly adds that an armed accommodation of Sweden with the U.S.S.R. would be in the best interests of Finland, too.

This in fact is the standard rationalization used by Swedish oligarchical circles to explain why Sweden cannot join the Western alliance: The Soviets would reciprocate by gobbling up Finland, so only by staying clear of NATO can Sweden—self-sacrificing as it is—help keep Finland out of the Soviet bloc!

## India and China expand economic ties

*After 30 years, a trade agreement has been signed that gives a new and important dimension to Sino-Indian relations.*

**O**n Aug. 15, the anniversary of India's independence, a groundbreaking trade agreement was signed in Peking by Asia's two major powers. For the first time in 30 years, India and China agreed to accord each other "most favored nation" status and committed themselves to a serious expansion of trade and commercial relations. The 12-article agreement was signed after three days of talks between high-level delegations led by Indian commerce secretary Mr. Abid Hussain and Chinese vice-minister of foreign economic relations and trade, Mr. Lu Xue Jian, respectively.

"It is a shining day in the relations between India and China," Commerce Secretary Hussain declared at the signing. He expressed the hope that this "historic agreement" would lead to greater cooperation between the two Asian nations. India's relations with China were shattered by the 1962 Chinese invasion, and it was not until 1977 that commerce between the two countries resumed on an ad-hoc basis.

To date, the only serious bilateral talks between the two countries were those initiated by Prime Minister Indira Gandhi in the mid-1970s to find a resolution to the longstanding border issues which have so far proved intractable. While a strong domestic lobby in India insists that solving the border dispute is the precondition to any development of renewed relations with China, the new trade accord indicates that the government has reached other conclusions.

In fact, Prime Minister Gandhi has for some time viewed expanded rela-

tions with China as important for India and Asia as a whole. But only recently has this view found a response in Peking. Mrs. Gandhi's position as head of the Non-Aligned Movement is not unimportant in this regard.

The fact is that the governments of both these Asian giants share a priority concern for the rapid development and industrialization of their countries, which between them contain 40% of the world's population. India's economy, with its strong heavy-industry base and its abundant resources of skilled scientific and technical manpower, is at a takeoff point. In China, where both the scientific and industrial bases are much narrower, the Deng leadership has begun to look outward to broaden the base for an ambitious modernization program.

On the day the trade agreement was signed, *People's Daily*, the organ of the Communist Party of China, featured a write-up on India in honor of Independence Day in which Prime Minister Gandhi was praised for the economic policy package she adopted on her return to power in 1980.

"The noticeable progress in industrial and agricultural production, better financial situations, and the growing economic stability all indicate that India's economy has embarked on a road of stable development after tiding over great difficulties," wrote Mr. Li Wensheng. He pointed out that Mrs. Gandhi's predecessor, the Janata government, had left the economy in a grave crisis. Clearly the Deng government hopes that its own national de-

velopment initiatives will be as successful.

The recent trade talks were preceded by the visit of a private Indian Chamber of Commerce business delegation to Peking. These business leaders had confirmed that there was vast scope for India to supply equipment and technology to China in support of its modernization program. Indian Commerce Secretary Hussain reported that he had been very favorably impressed with what he saw of the modernization drive.

The new agreement, which is to be automatically renewed every three years, does not specify a targeted volume of trade. But Press Trust of India reports that China took note of the Indian suggestion that the present \$60 million trade level be boosted to \$1 billion in five years.

At present the trade balance is six to one in China's favor. Official spokesmen in Delhi state that India is not particularly concerned about arithmetical balances but rather with a "dynamic equilibrium" in trade turnover. While the agreement carries two schedules listing 15 types of items the two countries would like to export to each other, trade is not confined to these.

Indian exports to China now consist of raw materials and commodities such as tobacco, cotton, iron ore, chromium ore, and sugar. The Indian side is anxious to diversify in the direction of engineering and manufactured products, and in the coming months another Indian team will visit China to negotiate deals relating to items such as building materials and machinery and equipment for the construction industry. An Indian delegation is scheduled to visit Peking in October to negotiate a deal for Chinese imports of several million tons of iron ore annually.

# International Intelligence

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## ***Soviets rehearsing war, says Austrian colonel***

The Red Army is "not merely reviewing war, but rehearsing it," says a top Austrian military official about the Warsaw Pact's current "Shield-84" maneuvers in Czechoslovakia. The alarm was sounded in the Sept. 5 issue of the West German weekly *Bayernkurier*.

The maneuvers are only the latest phase in a continuous series of maneuvers that have been going on since January.

The paper quotes Col. Franz Freistätter of the Austrian General Staff on the fundamental difference between the maneuvers now taking place by NATO forces and those of the Warsaw Pact. "For the Eastern alliance, the main priority in the maneuvers is to locate an advantageous entrance gate toward the West. They are not just reviewing war!"

The atmosphere in which the "Shield-84" maneuvers are taking place is "decisive," says the *Bayernkurier*. These maneuvers follow the military exercises in East Germany in June-July, which tested a surprise attack against West Germany, and were "directly conducted by the Soviet General and Chief of Staff Ogarkov from Moscow."

The Yugoslav General Staff, according to the article, has evidence that Yugoslavia is one of the Soviet Army's "operative targets" on the Southern Flank.

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## ***Gen. Rogers: NATO will protect Western Europe***

General Bernard Rogers, NATO's Supreme Allied Commander in Europe, declared on Sept. 5 that NATO's policy is early first use of nuclear weapons, should the Soviet Union attack Western Europe. Rogers was speaking at a press conference in Brussels on the opening of NATO's Autumn Forge maneuvers.

This reaffirmation of the U.S. "nuclear umbrella" counters the lobbying efforts of Robert McNamara and other Eastern Estab-

lishment figures, to abolish the first-use doctrine and decouple the United States from the defense of Europe. Rogers has recently publicly disagreed with Henry Kissinger's plan to withdraw U.S. troops from Western Europe.

Rogers also called for the renewed development of chemical weapons, halted by the United States since 1969, in order to combat the Soviets' massive effort in this area. His recommendation goes against NATO Secretary General Lord Peter Carington, who opposes the development of either an offensive or defensive chemical warfare capability.

In a further gesture of the solidarity of the United States with the European allies, and particularly with the Federal Republic of Germany, Gen. Rogers on Sept. 3 appointed his West German deputy, Gen. Hans-Joachim Mack, to head nuclear planning for NATO—the first time a German has served in this sensitive position. The move was hostilely received by the Soviet press. The official Soviet daily *Pravda* on Sept. 5 called it a threat to peace, adding: "The European nations remember well what these 'typical German generals' brought them 25 years ago."

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## ***Bolivia government gets coup threats***

Bolivia's Interior Minister Federico Alvarez Plata warned on Sept. 6 that groups of "ultra-rightists" are preparing a series of violent acts over the next several days, to attempt to overthrow the government of President Hernán Siles Zuazo.

The interior minister said that "groups and individuals of known fascist affiliation, remembered for their participation in past dictatorial regimes, have been organizing for the coup" in the capital city of La Paz and in the country's interior.

The Siles Zuazo government is being hit from all sides. The first week in September, the Bolivian senate voted 16 to 7 to demand the resignation of Alvarez Plata for allegedly violating the "human rights" of the cocaine traffickers who kidnapped the Presi-

dent for 10 hours on June 30.

On Sept. 5, the President received a death threat from the neo-Nazi "Von Adler Legion," in a letter that says: "Hernán Siles Zuazo, Bolivian President, miserable commie, we will quickly bring you to justice in La Paz for having delivered our 'Oberst' Klaus Barbie to France." (Siles Zuazo had ordered Barbie, the Gestapo's "butcher of Lyon," captured and extradited to France in February of 1983.)

The networks of Reverend Sun Myung Moon, which had developed an excellent working relationship with Bolivia's "Cocaine Coup" generals hit the Bolivian President from another side. Through their press organ, the *Washington Times*, the Moonies charged Sept. 1 that the military and civilian security officials, who under Siles Zuazo have smashed 11 major cocaine labs in recent weeks, are Cuban and Soviet agents.

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## ***Who is to blame for the Nazi invasion of Poland?***

A Soviet military historian has gone to new extremes in falsifying history by blaming England and France for letting Hitler conquer Poland, while ignoring the fact that at the time this happened, the U.S.S.R. was allied with the Nazis under the Hitler-Stalin Pact. The pact allowed the Russians to invade and occupy the eastern half of Poland, while Hitler took the western portion.

Writing in the military newspaper *Krasnaya Zvezda*, Maj.-Gen. N. Glazunov alleges that the United States, England and France "actively contributed to the outbreak of the Second World War."

"Forty-five years ago, the Second World War was unleashed. It began on Sept. 1, 1939, by the perfidious attack of fascist Germany on Poland. All of the countries and peoples of the world learned about the Nazi aggression on that very day. But it was not until after two days of inactivity, which to a large extent predetermined the military defeat of Poland, that her allies—England and France—declared war on Germany. That they did on Sept. 3, when the fate of Poland had already been decided."

## Briefly

● **SWEDEN WON'T** buy U.S. fighter planes, and has instead opted to build its own. Some U.S. observers are "perplexed" at the decision, noting that the Swedish aircraft will be less capable than the already operational GD F-16 or McDonnell Douglas F-18.

● **THE CLUB OF LIFE** is shipping an ambulance to Zaire in September. "It is a concrete gift aimed at saving lives," a spokesman said. The ambulance is being sent to a hospital in Kinshasa, which is being built through the efforts of Rev. Mpolesha Dibala, a founding member of the Club of Life in Zaire.

● **FAUSTO CHARRIS**, the president of Colombia's Anti-Drug Coalition, is the reason for the evident distress of former Colombian President Alfonso López Michelsen, according to a two-page article in the magazine *Guion* published on Aug. 30. Headlined "The Reason for López's S.O.S.," the article describes how Charris (and *EIR*) had charged López with promoting and protecting the country's drug-pushers. López fled the country on Aug. 15, then wrote a widely-publicized letter to President Belisario Betancur complaining about the accusations against him. The Colombian government issued a warrant for the arrest of his cousin, Jaime Michelsen.

● **EUGENE IONESCO**, the Theater of the Absurd playwright, was true to form on Sept. 3 as he addressed Brown University's convocation ceremonies on the evils of technology. "America's state-of-the-art technology has elevated humanity above itself," he said, and its "rich cultural tradition"—seen in the works of Henry Miller, John Dos Passos, John Steinbeck, and William Faulkner—is being ignored. He recalled with dismay his discovery that Chinese residents of Taiwan are unfamiliar with Buddha, Confucius, and Tao, and instead are interested in industrializing their country.

### **Pope's life threatened after attack on Jesuits**

Within hours of the release by the Vatican on Sept. 3 of a 36-page document attacking the Jesuit order's so-called Theology of Liberation, Pope John Paul II's life has been threatened in at least three separate incidents.

The Vatican document was released at a Rome press conference held by Joseph Cardinal Ratzinger, who explained that the report was intended "to draw the attention of pastors, theologians, and the faithful to the deviations, and risk of deviations brought about by forms of liberation theology which use concepts borrowed from Marxism."

In Montreal, where the Pope is scheduled to visit during the second week in September, a bomb blast at the city's main railway station on Sept. 3 killed 3 people and injured 28 others.

Arrested for the bombing was Thomas Brigham of Rochester, N.Y., who was under surveillance by the U.S. Secret Service until last year for following President Reagan. Brigham is suspected of authoring the following anti-Vatican diatribe: "Kill popes! Fry bloody papacy! First 18 popes died violently. Pope Leo issued the *tomos*. First to die peacefully in his bed." (The reference is to Pope Leo I's *Tome of Leo*, a fifth century document.)

The second incident took place the same day in San Juan, Puerto Rico, a city the Pope will also visit in the next few weeks. Rev. Jorge Raschke, a Gnostic preacher, attacked John Paul II as the "Anti-Christ" at a rally of 60,000 people.

Finally, a letter postmarked "Venice" was delivered to the Italian news agency Ansa, threatening "attacks on the Vatican" unless papal assailant Mehmet Ali Agca is released to house arrest, in exchange for a young woman kidnapped over a year ago. The letter, signed by the unknown "New Muslim Organization for the Anti-Christian Struggle," claimed that Emanuela Orlandi, the daughter of a Vatican employee, was alive but "will be killed" unless authorities meet the terms of the message.

### **Greece will disrupt NATO air maneuvers**

The pro-Moscow government of Premier Andreas Papandreou has vowed to shut down air traffic over the Aegean Sea and intercept approaching military aircraft if NATO goes ahead with the planned air maneuvers later this month in which NATO jets will enter Athens-controlled air space.

The announcement was given prominent play on Greek state television and radio on Sept. 4, along with the official announcement that Igor Andropov, son of the late Soviet President Yuri Andropov, had been appointed Soviet ambassador to Greece.

During the last week in August, Papandreou announced that Greek troops would not take part in the NATO maneuvers in the north Aegean, scheduled to start Sept. 17. The reason given: "For us, Turkey, and not the Soviet Union, is the only visible danger."

### **Israel: Col. Qaddafi killed PLO's Sartawi**

Radio Jerusalem reported on Sept. 3 that investigations into the April 1983 murder of PLO negotiator Issam Sartawi in Lisbon prove that Muammar Qaddafi's Libya financed and ordered the murder.

Perpetrated by a member of the Abu Nidal Palestinian split-off gang, the assassination was made possible because of complicity on the part of some layers within the Portuguese police.

Such connections were established by tracing the role of the Portuguese underground terrorist organization FP-25, whose leading member was Colonel Cavailho, a left-wing officer who played a key role in the 1974 revolution. Cavailho was arrested by Portuguese authorities last June. Radio Jerusalem said that it has been proven that his FP-25 played a key role in the assassination of Sartawi, after having received a sizable amount of money in a bank account at the Union Bank of Switzerland in Geneva, coming from Tripoli.

## President Reagan caught in Kissinger-KGB trap

by Kathleen Klenetsky

If the Reagan landslide confidently predicted by pollsters and pundits and eagerly anticipated by euphoric Republicans does indeed take place this November, it could turn out to be a Pyrrhic victory for those who cling to the belief that a second Reagan administration will *necessarily* salvage the United States from the economic and strategic disasters staring it in the face.

As of now, the Kissinger faction is solidly in control of administration policymaking, and is rapidly maneuvering to consolidate its grip over every important cabinet and sub-cabinet-level position.

If this situation prevails past November—as it surely will unless the American population undertakes a political blitzkrieg over the next two months to make its will felt in Washington—no significant difference will exist between the general policies that a reelected Reagan White House will pursue, and those that a Mondale White House would have. Seen in the context of the massive and unmistakable war preparations which the Soviet Union is now undertaking, that outcome will mean the end of the United States as a sovereign republic.

Already, the so-called palace guard—the cozy little clique consisting of James Baker III, Michael Deaver, and Richard Darman, who run day-to-day operations at the White House and exercise near-total control over President Reagan's reelection campaign from the West Wing of the White House—is deliberately withholding vital intelligence from the President, while feeding him a completely false view of

the strategic and economic crises. The palace guard has made it clear, as a Washington "insider" publication recently reported, that "Dr. Kissinger is probably the only man who could put coherence back into American foreign policy during a second Reagan administration."

*EIR* has reason to believe that the Democratic National Committee is carrying on an active correspondence with the Soviet Politburo, the main subject of which is how best to "educate" the American public into believing that the Reagan program for defending U.S. citizens against nuclear attack, the Strategic Defense Initiative to develop beam-weapon systems, is "dangerous, destabilizing, and ridiculously costly." Reportedly, this explosive information is available to the White House. Yet, there hasn't been a word about it from 1600 Pennsylvania Avenue!

The only possible explanation is that Baker is either deliberately keeping this crucial intelligence from the President, or has somehow convinced him that to release it would be politically inexpedient. Baker, who hails from an old Houston family of lawyers and Scottish Rite Freemasons, is a collaborator of Kissinger and a close personal friend of such Democratic bigwigs as Robert Strauss.

This wouldn't be the first time that Reagan has been conned by his "political advisers" into committing political and policy suicide. Reagan's capitulation to palace guard pressure to adopt a "moderate" approach, especially in the strategic-policy realm, has already led to disaster—a fact sharply underscored by the current deadlocked status of the



1985 fiscal year Defense Department budget. After okaying a series of “compromises” urged on him by the James Baker-Michael Deaver-Richard Darman palace guard clique, Reagan is now facing a situation where the military budget is being held hostage by Congress, and is effectively being told that unless he agrees to abandon the MX altogether and accept a pitiful 5% increase in military spending, the budget will remain stalemated indefinitely.

Meanwhile, the KGB-orchestrated attack on the SDI—the most significant policy initiative which President Reagan has undertaken—is moving into high gear, at the same time that every potential supporter of the President’s so-called Star Wars program is being pushed out of the administration.

### **The third Kissinger administration**

There are numerous indications—not least of which is the night-of-the-living-dead status of the Mondale-Ferraro campaign—that the Eastern Establishment has agreed to let Ronald Reagan have a second go-round in the Oval Office, but only at a price that spells disaster for the nation.

Under the terms of this “agreement,” the second Reagan administration will be purged of anyone who does not wholeheartedly support the “New Yalta” policy pushed by Henry Kissinger and his backers. Cooked up by the circles associated with McGeorge Bundy and Cyrus Vance in the United States, and Lord Peter Carrington in Europe, this New Yalta policy stipulates that the United States dismantle its defenses—particularly the Strategic Defense Initiative—and leave Western Europe to the Soviet Union. In exchange, the peace-loving leadership in the Kremlin has promised to go along with a division of the world into “eastern” and “western” spheres of influence. (But the Russians have embarked on the most massive military buildup ever witnessed, and have no particular reason to accept only half the world—a matter overlooked, it would seem, by Lord Carrington’s associates.)

Reliable sources report that a series of watergatings, based primarily on financial and related “scandals,” is ready and waiting to be unleashed on Reagan personally and anybody else in the administration who tries to buck the Eastern Establishment’s policy directives.

The process of eliminating any potential opposition to this policy from the ranks of the administration has already reached the point that not one person who could accurately be described as having the best interests of the United States at heart has a good chance of holding a top government position come next January.

With the help of its friends in the media and in the Democratic Party, the palace guard has been systematically pushing out one Reagan loyalist after another, and just as systematically replacing them with their own. Over the last 18 months, this treacherous bunch has seized control of the National Security Council and the White House (the State Department has been a Kissinger stronghold since the begin-

ning), and is now moving on the rest of the cabinet and related posts. Indeed, Baker is reported to be eyeing at least five different top posts—ranging from Defense to Justice—for himself, and is simply calculating which one would be most opportune before making his final choice.

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*“Reagan’s capitulation to palace guard pressure to adopt a ‘moderate’ approach, especially in the strategic-policy realm, has already led to disaster.”*

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According to numerous sources, including Aug. 27 columns by Evans and Novak and by *Washington Times* White House correspondent Jeremiah O’Leary, the Kissinger-James Baker clique is operating on the following script: Judge William Clark will be knocked out as a contender for the White House chief of staff position, in favor of Michael Deaver. Another Baker lieutenant, Richard Darman, is slated to become director of the Office of Management and Budget, replacing David Stockman who is reportedly anxious to leave government. Yet another ally of the Kissinger-Baker crew, former *New York Times* employee Richard Burt, currently Assistant Secretary of State for European Affairs, is being pushed into the NSC slot, while current NSC director Robert McFarlane is reportedly headed for a senior State Department post. As for Ed Meese, who has been dangling in political limbo for the past 10 months, congressional sources say that even if he is cleared of the charges of financial misdealing pending against him, the Senate will not confirm him for the Attorney-General post.

Even more ominous are the recent deployments against Defense Secretary Caspar Weinberger and CIA director William Casey. Both men, but especially Weinberger, have opposed Kissinger’s decouple-from-Europe proposal and staunchly supported the SDI—Weinberger to the point of going on national television Sept. 9 to tell the American population that Henry Kissinger’s ABM Treaty of 1972 must be abrogated if the United States intends to match Soviet missile defense capabilities.

So intent is the Eastern Establishment on getting rid of Weinberger that its top spokesman, McGeorge Bundy, has been hitting the lecture circuit rabidly denouncing the defense secretary, particularly over the issue of his support of beam-weapons. Bundy’s latest assault on Weinberger came Sept. 6, in a keynote speech to a University of Maryland conference on NATO nuclear strategy attended by V. V. Aleksandrov of

the Soviet Academy of Sciences, Kissinger associate Helmut Sonnenfeldt, and quite a few Mondale strategic policy advisers. Bundy coupled his denunciations of Weinberger and the SDI with a virtual invitation to the Soviets to annex West Germany, indicating that a Red Army invasion of that nation would meet with no strategic response from the United States.

Casey and Weinberger have been the subject of a nasty, Baker-orchestrated whispering campaign so successful that it is already accepted as a foregone conclusion on Capitol Hill that Weinberger is out as Pentagon chief. Most members of Congress are convinced that retiring Sen. John Tower (R-Tex.) will replace Weinberger, who in turn may be dispatched to the Court of St. James or some other ambassadorial post to place him as far away from the seat of power as possible.

The *Washington Times*' O'Leary gives Weinberger "about even money to leave in the first year."

The move against Casey, which has been on the burner ever since the "Briefinggate" case broke in June 1983, was revived once again in early September, when a spate of stories hit the major press that he, too, will be "resigning" at the end of the year. Casey, however, is trying to fight back. Using the pages of the Sept. 6 *Washington Times* to counter-attack, Casey deployed a "source close to the director" to disavow rumors that he will be leaving his post. The source charged that reports about Casey's imminent departure "may have been disinformation, byproducts of internecine power struggles in the recesses of the White House. . . . I think you can characterize the story as totally untrue. . . . The director was highly amused. . . . These stories appear in almost exact ratio with the ambitions of certain people in the West Wing." The *Times* points out that James Baker's name was on the top of the list which is allegedly circulating to replace Casey.

### 'Most dangerous period ahead'

Although Casey has his faults, he is considered much less likely to go along with the New Yalta crowd than some of the people now being mooted as his possible replacements—Robert McFarlane; Laurence Silberman, a former ambassador to Yugoslavia and close Kissinger ally; and James Baker himself. That fact was underscored by an internal CIA document on the international strategic situation reported by Evans and Novak Sept. 27. Prepared for Casey by one of his closest collaborators inside the agency, Herbert C. Meyer, the 11-page memorandum is analytically contaminated by the KGB disinformation line that the "Soviet Empire is crumbling." However, it then draws a conclusion sharply countering the "business-as-usual" nonsense coming from the State Department and the palace guard, that this means there is no military threat posed by Moscow.

The "days ahead will be the most dangerous that we have ever known," warns the memo. The Soviets might well shift to a "high-risk course designed to change the correlation of East-West forces before it is too late," and are now consid-

ering a "grab for power in the Persian Gulf, an attack on Western Europe, or even a first strike on the U.S."

### Kissinger backchannel

Kissinger is taking advantage of the turmoil in the White House and the election period to advance his policy agenda as far as possible between now and November. During early September, despite public acrimonies between Moscow and Washington, extensive "backchannel" contacts were made between American and Soviet diplomats in various locations in Europe.

These contacts took place in an atmosphere of "privacy" and "confidentiality," precisely as prescribed by Henry A. Kissinger in a remarkable article published by the *Washington Post* on July 27. They also occurred on the theory, also publicly expounded by Kissinger, that the Soviet government is making preparations to begin arms control negotiations right after the November elections. Part of these "private and confidential" backchannel discussions, was the agreement between NBC and Soviet Ambassador Anatoli Dobrynin for a series of TV broadcasts on the subject of "Star Wars" from Moscow into American living rooms—between now and election day.

One of the purposes of these talks is, as Kissinger also recommended in his July 27 article, to arrive at a "definition" of what a "defensive weapon" is which will be mutually acceptable to both the United States and the Soviet Union.

The Soviet contention is that space-based anti-missile laser-beam weapons are not defensive but rather "first-strike" weapons. President Reagan has argued that these weapons, which can only destroy nuclear missiles if these missiles are already launched, are nothing but defensive weapons. Henry Kissinger has proposed that his private, confidential backchannel diplomacy can bridge this difference—in other words, either by keeping the U.S. beam-weapons program eternally in the research and development stage, or by dismantling it altogether.

Kissinger's effort is getting significant support from the Democratic Party's controllers. The Sept. 2 *New York Times* carried a special article, signed jointly by Averell Harriman, Clark Clifford, and Marshall Shulman, which was the "official" Democratic Party response to Kissinger's July 27 article. The Harriman article stated that these Democrats agree on the matter of private backchannel talks with the Russians, on the matter of finding a suitable "mutually acceptable definition" of what is a defensive weapon and on the proposal that this whole project should be a "bipartisan effort."

Harriman, by nodding to this "bipartisan approach," has indicated to Moscow two conclusions: First, the Democratic Party by itself could not derail the Strategic Defense Initiative; second, that he, Harriman, is now confident that the Kissinger operation inside the White House is sufficiently far advanced to justify the expectation that a "bipartisan" approach would accomplish the SDI derailing.

# Bundy's crowd calls for giving up SDI

by Kathleen Klenetsky

From now through November, the U.S. population will be inundated with a flood of propagandists purporting to prove that the Reagan administration's proposal to establish a high-technology defense against nuclear warfare—the so-called Star Wars program—is politically dangerous, technically incompetent, and entirely too costly to be considered a viable option.

The purpose of this mobilization—which is being carried out at the direct instigation of the Soviet Politburo—is to force Reagan to abandon his Strategic Defense Initiative (SDI): If it succeeds, it will hand the Soviet Union a decisive strategic advantage over the United States.

The anti-beam weapon deployment was kicked off by none other than McGeorge Bundy, the self-styled doge of the Eastern Establishment, who told a University of Maryland conference on Sept. 6 that the “Star Wars initiative is walking under false colors. . . . There is no way of preventing the existence and the fact of nuclear deterrence.” Bundy lied that the claim that “these systems can . . . make nuclear weapons impotent and obsolete” is a “falsehood,” and called Defense Secretary Weinberger “stupid” and “intellectually dishonest” for insisting that a “‘completely reliable’ system is attainable.”

Four days earlier, Walter Mondale, one of Bundy's political stooges, had formally opened his presidential campaign by denouncing Reagan for wanting to “extend the arms race to the heavens.” Mondale advisers, including former Kissinger aide Barry Carter, have already disclosed that Fritz's campaign will be heavily weighted with attacks on the SDI.

## Coalition to save the Kremlin

A key component of the treacherous anti-beam weapons effort is being carried out by the National Coalition to Save the ABM Treaty, a recently-formed group whose members include such pro-Soviet zealots as Robert McNamara, Paul Warnke, and SALT negotiator Gerard Smith, who in congressional testimony last spring called for a mass-based fascist movement in Europe against beam weapons.

Coalition spokesman Betsy Puritz has revealed that the group is about to launch a major “four-tier offensive” to stop the SDI—by campaigning nationwide to prevent Henry Kis-

singer's 1972 ABM Treaty from being abrogated. “I'm sure if the American people knew what the implications of the SDI were, they'd oppose it,” said Puritz. “After all, if they knew that it was only going to protect ICBMs and not people, and that it couldn't protect against many kinds of weapons, and how much it costs, and how dangerous and destabilizing it is, then they wouldn't support it, despite the fact that it sounds so wonderful.”

Puritz said that the coalition will be concentrating on the following areas: 1) A legislative offensive, which includes extensive lobbying on Capitol Hill for specific pieces of legislation; briefings for members of Congress and staff on the “political, technical, and economic disadvantages of the SDI program”; and possible congressional hearings on “the great importance” of retaining the ABM Treaty. 2) A media campaign, including regular brainwashing sessions for the Washington press corps by such coalition luminaries as Gerard Smith, and the placing of op eds and news features in the press. Puritz indicated the Sept. 3 column by *New York Times* scribbler Flora Lewis, which blasted those in the administration who are “intensifying their campaign [for beam weapons] to the point of challenging all arms-control agreements, and especially [the ABM Treaty],” as exemplary. 3) A mass “educational effort,” newspaper advertisements, leaflets, fact sheets, etc., and 4) A legal campaign, which will explore the possibility of suing the Reagan administration to prevent it from abrogating the ABM Treaty.

Puritz disclosed that Kissinger had been invited to join the coalition, but declined “only because he didn't want to become publicly identified” with the effort.

Another group which has frequently been caught playing footsies with Moscow, the Federation of American Scientists (FAS), has also joined the fray. According to its Washington lobbyist, John Pike, FAS intends to “concentrate on trying to keep SDI funding levels in 1985 down to their 1984 levels” as a prelude to killing it altogether. Their chief congressional collaborators include Rep. Joseph Addabbo (D-N.Y.), a Mondale defense adviser and chairman of the House Defense appropriations subcommittee, and Sens. William Proxmire (D-Wisc.) and Dale Bumpers (D-Ark.).

NBC-TV, meanwhile, launched another major brainwashing operation on Sept. 8 on the SDI and related issues with a widely-publicized series on “the new cold war.” The first show will focus on “The Real Star Wars—Defense in Space,” and was partially produced in collaboration with Carol Rosin of the Institute for Security and Cooperation in Outer Space, a Washington-based think-tank which *EIR* recently exposed as a conduit for direct KGB anti-beam weapon deployments, including anti-ASAT and anti-SDI legislation written in cooperation with the Soviet embassy, on Capitol Hill (see *EIR*, June 5). The series will literally originate straight from Moscow, where 25 NBC producers, technicians, and newsmen have been deployed for the next two weeks.

# Congress fiddles, Soviets build up

by Susan Kokinda

Returning to Washington, D.C. on Sept. 5 following July and August recesses for the Democratic and Republican conventions, the U.S. Congress is about to consume what could be the remaining four weeks of this congressional session doing exactly what the Soviet Union wants it to do: nothing. Not only is it likely that the Congress will still be deadlocked on major spending legislation when it recesses again on Oct. 5. It will leave the defense appropriations bill subject to a legislative abomination known as a continuing resolution, and will not even have authorized, let alone funded, U.S. defense programs.

Under the stop-gap spending measure, major decisions on deployment of the MX missile, anti-satellite weapons, and acceleration of the Strategic Defense Initiative (SDI) will be left in political limbo. Meanwhile, appropriations bills for running the other major government departments and other legislative initiatives are caught in the same morass. The bulk of federal government activity will, in all likelihood, be carried on by the continuing resolution—a single bill which continues funding for government programs at FY 1984 levels plus inflation, and thus abrogates whatever decisions Congress has made on changing or augmenting FY 1985 programs.

In short, while the Soviet Union is engaged in the most far-reaching military buildup and reorganization that the world has ever seen, its agents of influence in the U.S. Congress have mired the U.S. defense budget, and other vital programs, in mud.

Were this not enough, while Congress will *not* attend to the business of funding the U.S. military and running the U.S. government, it *will* be preoccupied with a KGB-orchestrated “re-education” effort aimed at convincing Congress that President Reagan’s beam-weapon defense initiative should be halted and that other elements of the administration’s strategic modernization program should be slowed or frozen.

- The Committee to Save the ABM Treaty (see article page 57) is planning seminars and briefing sessions for congressmen and their staff on Sept. 11 and 13, while pushing for formal hearings in the Senate Foreign Relations and House Foreign Affairs Committee.

- The Federation of American Scientists intends a major legislative initiative to reduce funding levels for the SDI to

1984 levels, while the KGB-controlled Coalition for the Peaceful Uses of Outer Space plans a Sept. 18 press conference to push for arms control negotiations concerning outer space.

## Hostage to O’Neill

The key faces holding the defense bill hostage are not unfamiliar. At the top of the list is House Speaker Tip O’Neill (D-Mass.). According to Senate Armed Services Committee member Barry Goldwater (R-Ariz.), O’Neill “will not allow the House Armed Services Committee to agree with the Senate on a military bill. Why? He doesn’t want a bill until after the election.”

As a result, the Senate and House Armed Services committees are currently deadlocked over not only appropriations, but the Defense *Authorization* bill, the legislation which determines what kinds of defense programs the Pentagon can undertake. Congress has not even gotten to the point of marking-up a Defense Appropriations bill, which provides the money for every duly-authorized defense program.

Congress, of course, has punted on the appropriations bills many times over the past several years, shoving crucial decisions into an omnibus stop-gap spending resolution. But never, in the 22 years in which Defense Authorization bills have been required, has the Congress failed to actually authorize Pentagon programs. If no Authorization bill is in place by Sept. 30, which is the end of the fiscal year, bureaucratic chaos will ensue at the Pentagon—causing cost overruns, delays, and postponements of vital programs.

The deadlock is over both budget figures and language. The administration originally asked for an 8% increase in defense spending, while the House passed a ceiling of only 3.5%. Kissingerian moderates in the Senate, led by Senate Majority Leader Howard Baker (R-Tenn.), forced the administration to officially drop down to a 7% increase. Ever since, there has been a standoff, with Democratic point men such as Senate Minority Leader Robert Byrd and Senate Armed Services Committee ranking Democrat Sam Nunn (Ga.) blaming the impasse on President Reagan and his refusal to compromise on U.S. defenses. On Sept. 5, O’Neill and Baker met in private to try to “resolve” the deadlock.

However, Capitol Hill sources report that the real controversy is around the actual go ahead for vitally needed programs such as further production for the MX missile, acceleration of the SDI, and a testing go-ahead for anti-satellite (ASAT) weapons. In each of these cases, Soviet assets in the House of Representatives such as Rep. George Brown (D-Calif.), Les Aspin (D-Wisc.), Albert Gore (D-Tenn.), and Joe Moakley (D-Mass.), have succeeded in introducing dangerous restrictions to the programs, or in directly cutting back funding. While the Senate ameliorated some of the worst excesses of Moscow’s lobby in the House, the failure to resolve these differences before the election recess means dangerous entropy in the U.S. defense program.

# LaRouche, Davis take campaign on the road

by Susan Welsh

Independent Democratic presidential candidate Lyndon H. LaRouche, Jr. and his running mate Billy Davis took their campaign on the road during the first week in September, with press conferences around the country and a national television broadcast on Sept. 3, entitled *Food Shock of 1984—the Mondale-Kissinger-Soviet Connections to the World Food Crisis*.

LaRouche made his first public appearance since announcing his independent candidacy, at a Honolulu press conference on Sept. 7. He told the press that he and Davis were running as independents because Walter Mondale and Geraldine Ferraro were unfit to lead the Democratic Party—much less the nation. Mondale, he explained, is closely linked to the Cargill grain company and the Hubert H. Humphrey Institute of Political Affairs in Minneapolis, institutions which are right now planning a 1984 “food shock,” on the model of the 1974 oil crisis.

LaRouche briefed the press on his own proposals for preventing the impending economic collapse, particularly his plan to launch an international effort to develop the Pacific and Indian Oceans’ basin region. The press conference was attended by UPI, the *Honolulu Advertiser*, the *Honolulu Star Bulletin*, Hawaii Public Radio, KGU radio, and two television stations.

As of the date of LaRouche’s press conference, he and Davis had qualified for ballot status and/or been officially certified in 13 states: Colorado, the District of Columbia, Hawaii, Kentucky, Louisiana, Michigan, Minnesota, Mississippi, Ohio, Texas, Vermont, Virginia, and Washington.

## A challenge to Mondale

Davis, a farmer from Laurel, Mississippi, made a whistle-stop tour of Colorado and Minnesota, giving press conferences in Denver, Colorado Springs, Minneapolis, and Duluth.

In Colorado Springs, Davis outlined the current strategic crisis, including the largest Soviet military maneuvers in Europe since World War II. Mondale’s reply is appeasement and the nuclear freeze, he said, and President Reagan does not want to face the crisis at all. Closely related to the military developments is the threat of a food crisis, manipulated by the Soviet Union and the international grain cartels. Ninety percent of the beef market, Davis reported, is controlled by

Soviet agent-of-influence Armand Hammer and associates. “There are no reserves, just inventories for the cartels. We could be producing 70% of what the world needs. But instead, we are providing the Soviets with grain 20% beyond even what they need for their stockpiles.”

As for Mondale, said Davis, “He is a warmed-over peanut farmer. Only, his brain wasn’t washed at Yerkes Primate Lab; his brain was rewired at Hubert Humphrey Institute. Every rock where you see evil, if you lift the rock, Kissinger is either under it, has just been there, or has a ticket to go there. Mondale has just called for a six-month moratorium on nuclear-missile production. The Soviets don’t care; they love it.”

Davis was interviewed by the editorial board of the *Denver Post*, and his press conferences were attended by the *Colorado Springs Gazette Telegraph*, KTCS/KCHT radio, KVOR radio, NBC-TV, the *Colorado Springs Sun*, and the *Rocky Mountain News*.

Then at an airport press conference in Minneapolis, Davis was asked by a reporter what he would do, if elected, to straighten out the economic situation in the country. He replied that the necessary preliminary moves could be made within 24 hours: a reform of the international monetary system, federalization of the Federal Reserve, and a return to the gold reserve system. This reform could be extended to include the developing sector and the rest of the free world. Then, he said, we could get to work on rebuilding our infrastructure, agriculture, and industry, which cannot be done overnight. The only real shortage we’ll have then, he said, is enough people to do everything that must be done, most importantly feeding the population of Africa, implementing the Strategic Defense Initiative, and developing fusion energy.

Spokesmen for the LaRouche-Davis campaign gave press conferences in other cities, especially in southern states where ballot status has been secured or is expected. On Sept. 4, campaign representative Bruce Director held a press conference in Little Rock, Arkansas, on the front steps of the State Capitol Building, attended by half a dozen media representatives. He denounced Arkansas Sen. Dale Bumpers as a “KGB Democrat,” and charged that Bumpers’s wife Betty runs the KGB-controlled organization known as “Peace Links.”

Independent Democrats for LaRouche national chairman Debra Freeman briefed the press in Memphis on Sept. 7. Reporters attended from the *Memphis Commercial Appeal*, ABC television, and WHBQ radio. Following her opening statement on the purpose of the campaign and on the need to avert a food crisis, the press asked broad-ranging questions on national and international affairs, including how the debt-strapped U.S. farm sector could feed the Third World; how the crisis in Central America could be defused through economic development; and what the implications were of the just-announced replacement of Soviet Chief of Staff Marshal Nikolai Ogarkov.

# Elephants and Donkeys by Kathleen Klenetsky

## The 'fundamentalization' of America

For those familiar with the internal workings of the Byzantine Empire, recent developments in the U.S. presidential campaign may seem more explicable than to those unversed in the phenomena of Byzantium.

One of the hallmarks of the Byzantines was the sponsorship of feuding fundamentalist religious cults, all orchestrated from above, all promising "holy war" against the other.

The Mondale campaign officially took off on this irrationalist track when candidate Prince Valium appeared before the annual meeting of the B'nai B'rith in Washington, D.C. on Sept. 5 to charge that Ronald Reagan was involved in a conspiracy to "Christianize" America. "God is not a Republican," the dotting donkey declaimed. Meanwhile, around the country, B'nai B'rith Anti-Defamation League gossips are spreading rumors about how a Reagan re-election would unleash Hitler-style "anti-Jewish" movements around the country.

Of course, there is some reality to the charge that circles around Reagan, including White House "palace guard" controller James Baker III and some of the President's advisors on religious affairs, are insisting that the President rely on "Christian fundamentalists" as his base of support for re-election.

By the same token, an effort is being made to induce the President to believe that the most pressing issue concerning the American population is abortion. Boston's Archbishop Bernard Law and 18 other northeastern Catholic bishops issued a statement on Sept. 5 insisting that the issue of abortion is *the* central theme of the coming election and not the threat of war from the Soviets, not the international eco-

nomie collapse, not the impending shortages of food.

## The cultivation of irrationality

The effect of this cultivation of irrationalism is to import onto the shores of the United States the seed-crystals for the kinds of full-blown "holy war" religious fanaticism seen in the Middle East, for example, in the various pseudo-Christian, pseudo-Jewish, and pseudo-Islamic movements being set into motion by the orchestrated fights for control over the Temple Mount in Jerusalem.

Hence it was no surprise to see Israel's Adolf Hitler, Rabbi Meir Kahane, appear on the American scene during the first days of September to run around the country ranting and raving before Jewish organizations about how he needed money for his campaign to expel all Arabs from Israel. He reserved his most rarified foaming for nominally-Islamic fanatic Louis Farrakhan, who has been spending the past months concocting anti-Jewish mythologies to whip up hysteria in the United States.

It has not precisely been an "act of God" to see these kinds of things start sprouting up on American shores. Both the Mondale and Reagan campaigns are penetrated with influences emanating out of such Gnostic-irrationalist monastic orders as the Benedictines and the Jesuits, who are trying to use the campaign as the occasion for injecting fundamentalism as a predominant feature of U.S. life.

Interested readers might independently check into the circles, for example, around Benedictine Father Paul Marx and his Human Life International in Washington, D.C., for a source of inspiration into the Reagan camp.

Another line of investigation

would lead to the doorsteps of Jesuit Michael Novak, a popularizer of religious-fundamentalism themes located at the American Enterprise Institute, also in Washington.

A third track would be certain cultivators of the "Our Lady of Fatima" cult in the milieu of Connecticut-based Jesuit Father Vincent Miceli, an adviser-confessor to the High Frontier's Danny Graham. Miceli preaches that the Temple Mount situation presages the "end of the world," and that it is "God's will" that Russia, the "invading idolater," will "punish Europe" by taking over the continent in the period ahead. Miceli is a firm believer in the benefits of the Christianity of Russia's Fyodor Dostoevsky and praises "the Byzantine Christianity of the Russian Orthodox Church" as a champion in the fight against "communism."

This might suggest, of course, that the Byzantinization of the American political process may in part be being orchestrated by the Russians themselves, through the various religious orders!

An adept U.S. political insider told *EIR* that one of the individuals "most ecstatic" about the transformation in the matrix of the American election process toward Byzantine fundamentalism is Jeremy Rifkin, popular cult author of books like *Entropy* and *The Emerging Order: God in an Age of Scarcity*. Rifkin has been one of the star attractions in religious-fundamentalist circles in the United States, arguing that fundamentalism is the most appropriate belief-structure for an age of zero-growth economics, reduction in the standard of living, and technological stagnation. Rifkin was trained at the University of Pennsylvania's Wharton School of Economics, the leading assembly plant for Malthusian pseudo-economist quacks in the United States.

# Kissinger Watch

by M.T. Upharsin

## Reflections on the causes of pollution

"If Colorado Governor Lamm is serious about air pollution, he'll stop Henry Kissinger at the border."

So said Billy Davis, vice-presidential running-mate of Independent Democrat LaRouche, upon hearing that Henry Kissinger was to be featured at a fundraising dinner for Colorado Sen. Bill Armstrong (R) in Denver on Sept. 7.

The announcement of Kissinger's arrival had been slipped parenthetically into an article in the *Rocky Mountain News* covering the previous day's press conference by Davis, in which he had implicated Kissinger in complicity with the large grain cartels behind Walter Mondale in arranging the current crisis of food production.

The Mondale-Kissinger connection established, it is all the more bewildering to find Kissinger being featured speaker before a fundraiser for one of the Senate's more persistent conservatives, a man who has supported the administration policy of building strategic defense systems in space, which Henry Kissinger so bitterly opposes.

The circumstances of this odd coupling have not yet been fully smoked out by *Kissinger Watch*, but telltale patterns of Fat Henry's infiltration into the conservative political community are there for the watchful to see.

From what we have ascertained, the key point of marriage is located at the Heritage Foundation in Washington, D.C., a harboring institution for strange KGB-connected "moles" posing as military hardliners and as "free enterprisers" on economic policy.

During the summer months of 1984, callers to the offices of Kissinger Associates in Washington, asking

about how Kissinger views Lyndon LaRouche's charges against him, have been referred to the offices of Heritage to "find out about Larouche."

## The latest in slanders

In mid-July, Heritage senior policy analyst Milton Copulos concocted the newest in a long series of slanders against LaRouche. Copulos informs callers that LaRouche is part of some peculiar Soviet disinformation network, because he (LaRouche) insists that the defining matrix of Soviet policy can be labeled "Third Rome" as a Byzantine imperial drive and because he opposes the Solidarity groups in Poland.

It is out of Heritage, under the influence of Britain's diminutive thug Sir Alfred Sherman, that propaganda is pumped into the Reagan administration about how the United States must redeploy military forces southward, below the border, and leave Europe to be subsumed by a Russian Empire.

Heritage essentially shares the dossier on this disorientation project with Kissinger's buddies at the Georgetown Center for Strategic and International Studies (CSIS) in Washington. Many of CSIS's leading regional officers have recently been in Moscow, using the think-tank's "conservative" reputation to serve as a disinformation back-channel for Moscow.

CSIS Ibero-America specialist Robert Kupperman, for example, spent part of the month of April in Moscow lecturing on "arms control." Kupperman asserts privately, "We are all coming to the same conclusion as Kissinger did [in his *Time* magazine piece of March 5, 1984]. The main strategic threat to the United States is *not* in Europe, it is in Central America, Mexico. . . . Hordes and hordes

of people are going to be streaming over our borders. The U.S. army must revert to its traditional role as a border patrol."

To help launder Kissinger as a disorientation factor into conservative Reagan circles, the Soviets on Aug. 17 obligingly attacked Kissinger in an article accusing him of being a "hardliner" against the U.S.S.R.

The Soviets, of course, play all sides against the middle. The above-cited Copulos-Heritage slander piece against LaRouche was the featured item in a recent Worcester, Massachusetts evening newspaper editorial. The editor of that journal spent late-August huddled in private session with a group of Soviet journalists brought over to the United States by the New England Society of Newspaper Editors.

Probably all the relevant points in this story cross through the brain of Eastern Establishment kingpin McGeorge Bundy, the spokesman of the patrician "Boston Brahmin" families who utilize the New England Society as a conduit.

It was Bundy who told a University of Maryland audience Sept. 6 that "all [the Soviets] could get in Europe without facing a European nuclear threat is West Germany, and that would be an unfinished chapter."

Following this invitation to the Soviet imperialists to take West Germany at their will, Bundy was asked by an *EIR* journalist why he had ordered Kissinger to call for the withdrawal of American troops from Europe.

The unbalanced Bundy then began to protest too much, shouting, "Tell LaRouche you did a good job! Tell LaRouche you did a good job!"

Not a terribly respectable performance for the man to whom Henry Kissinger dedicated his Harvard doctoral thesis.

# National News

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## Cut the budget by eliminating people

The Population Reference Bureau released a report on Sept. 8 recommending that efforts to prevent premature death be eliminated because of the cost to the taxpayer of people staying alive. The report is titled *Death and Taxes: The Public Policy Impact of Living Longer*.

The Bureau is one of a nexus of "population" organizations spawned by the Harriman family's eugenics lobby, a movement which had to be refurbished after World War II because Hitler had given the race science that the Harriman lobby was espousing a bad name.

The report, which is based on studies presented to the 1983 annual meeting of the American Association for the Advancement of Science, was reportedly prepared almost exclusively by officials of the government and government-funded programs, including Barbara Boyle Torrey and Douglas Norwood, officials of the Office of Management and Budget (OMB), who claim to be speaking only for themselves.

"If all the U.S. citizens who died prematurely in 1978 from cancer, heart disease, accidents, and homicides had been able to live to their full life expectancy," the report says, "the federal government would have suffered a net loss of \$15 billion because old-age benefits paid would have outweighed taxes received."

The report goes on to warn: "Today, the federal government is spending 27% of its yearly budget on people 65 and over. This proportion could grow to an estimated 50% of the federal budget by 2025."

The Population Bureau contends there is a trade-off between research on diseases such as heart disease and cancer, and "successful efforts to increase lifespan" by "slowing the aging process," and recommends a shift in priority from research on diseases to research to "reverse or halt the physiological decline of aging." The report reveals the sham of its argument, however, by acknowledging that the research areas which it recommends funding—unlike heart and

cancer research—will not yield significant results for at least 25 years.

The report concludes that "improving the quality of life is a more humane goal than extending the life of people who have already begun a significant physiological deterioration."

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## Why lynch Marion Barry now?

That the mayor of Washington, D.C., Marion Barry, is up to his neck in dirt has suddenly become front-page national news. He is being investigated for perjury on the basis of his denial to a Federal grand jury that he obtained cocaine from Karen Johnson, a city employee whose apartment the mayor was reported to frequent prior to her being convicted on conspiracy to sell cocaine charges.

Barry's involvement in smut isn't a very new story. Representatives of Lyndon LaRouche held a Washington, D.C. press conference six years ago this month documenting that Barry was not fit to hold political office because he was then siphoning off money from a "poverty pimp" organization in which he was involved, Pride Incorporated, and laundering it into drug-running operations. Fourteen reporters, including two from the Washington Post and representatives from NBC-TV, attended the press conference; not a word of the exposé saw print, however, until after Barry became mayor.

Later, at the initiation of the *Washington Post*, some of the information gradually came out. Barry's wife at the time, Mary Treadwell, was later convicted of some of these charges. Barry was exonerated.

"I'm convinced they didn't break the story when we gave it to them because they planned to use it to hold Barry hostage to the colonial policies of the *Washington Post*," said Stuart Rosenblatt yesterday, reflecting on the press conference he and Susan Pennington Director held in 1978, when Barry, then a city councilman at large was running for the Democratic nomination for mayor.

"It was so obvious that they had him on a leash," Rosenblatt continued. "The *Post*

has supported Barry; yet every time he got out of line—even showed the potential of getting out of line—suddenly another Mary Treadwell scandal would be heated up and Barry's name would come up again."

Why Barry now? Just because you've worked as a Ford Foundation poverty pimp most all of your life doesn't mean you can't be gotten.

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## Carter 'rebuilds' New York slums

Former President Jimmy Carter, clad in workclothes and wielding a hammer, toiled with 40 other Georgia volunteers on Sept. 3 to renovate a dilapidated tenement in New York's drug-infested Lower East Side.

While Carter spent Labor Day using his carpentry skills, his former vice president, Walter Mondale marched in the city's Labor Day Parade on Fifth Avenue.

"I'm not running for anything; I believe in this project," Carter said amid the buzz of power tools.

In 1976, Carter had visited New York's devastated South Bronx area, pledging that if elected President, he would see to it that the area was rebuilt. It's doubtful that his Lower East Side activities is what the residents had in mind.

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## The choice: the SDI or unilateral disarmament

In speeches before the American Legion convention the first week in September, Walter Mondale made his outrageous proposal that the United States agree to unilaterally disarm, and President Reagan argued that the United States has the "moral obligation" to develop defensive weaponry. The organization—soon to vote, and expected to vote favorably, on a resolution supporting Reagan's Strategic Defense Initiative—was extremely receptive to the President's speech. Mondale campaign aides billed Fritz's decision to go before the group with



his proposal as a "display of political courage."

It was the first time the President has spoken out for beam weapons in a major speech since he announced the program March 23 of last year and it began to be blasted by the Soviets and U.S. press outlets as a provocation to the Soviet government.

"We must pursue vigorous research on defensive technologies that can permit us to intercept strategic ballistic missiles—fired deliberately or accidentally—before they reach our soil or that of our allies," the President said in his Sept. 4 speech. "Some call this Star Wars; I call it prudent policy and common sense."

Mondale's comments were greeted with a marked lack of enthusiasm from an audience which consisted of less than half of the Legionnaires who had attended Reagan's address the day before. Applause was so sparse that at one point Mondale interrupted himself to say: "If you want to applaud, let it rip. I'll be quiet," but this appeal elicited only twitters. .

## Skousen, I.F. Stone in attacks on Plato

Left and right joined hands in opposition to the fundamental underpinnings of the American political and economic system the first week in September—by attacking Plato. On Aug. 30, "right-wing conservative" Mormon leader Cleon Skousen told an American Legion audience that Plato was behind the evils of Nazism and Communism. Less than a week later, on Sept. 4, leftist scribbler I.F. Stone, who told a Princeton audience three years ago that "Socrates got what he deserved," told a caller that he had expanded his diatribe to a broader campaign against Plato and St. Augustine.

Skousen, the author of "The Naked Capitalist" and spokesman for the Freeman Institute at the Salt Lake City Legionnaires convention, told the commission on "Americanism" that he had been puzzled for a long time about why the Founding Fathers had

"rejected" Plato (a statement Skousen would be hard put to document). After conducting his own study of Plato's works, the darling of the "free enterprise" crowd continued, he concluded that Plato's theories were "the fount of communism, fascism, totalitarianism, and Marxism."

I.F. Stone explained it this way: "St. Augustine is the founder of the Inquisition, but the idea, which is the foundation for the Inquisition, first appears in Plato's Laws. It was Augustine's distortion to bring the Inquisition of Plato's Laws into Christianity. . . . It is this tradition, which invented the notion of 'hierarchy,' that created the moral monsters who sacrifice the present for the future."

I'm partially an Aristotelean," Stone went on. "Aristotle, you see, wasn't simply a student of Plato; he was writing *against* Plato. . . . I don't believe in the Trinity. Jesus never calls himself the 'Son of God'; The problem is that Judaism and Christianity, which are influenced by neo-Platonism, distorted all this."

## Court: Michigan must put LaRouche on ballot

The U.S. Sixth Circuit Court of Appeals on Aug. 31 issued an order preventing the State of Michigan from printing its Nov. 6 general election ballot unless it includes the names of independent Democrats Lyndon H. LaRouche and Billy M. Davis, running for president and vice president, respectively.

Last spring, Michigan Democratic Party executive director Jeff Ely and Party attorney Tom Downs, obviously under orders from Democratic National Committee head Charles Manatt, teamed up to challenge the petition signatures of 13 LaRouche Democrats and keep them off the Aug. 7 primary ballot.

The Sixth Circuit order, commented Edward Spannaus of the LaRouche legal staff, "undercuts the Michigan Democratic Party's plans to force upon the voters of the state a platform of gay rights, nuclear freeze, and deindustrialization—with no alternative."

## Briefly

● A SCHILLER Institute leader from West Germany, Angelika Raimondi, was featured on the front-page of Chicago's Aug. 18 *Weekend Booster*, discussing her statement "that the Russians are ready and Armageddon could come in the next few months." "She says she can easily understand," the article reports, "how others might dismiss her concerns as either media hype or a hyperactive imagination. But they've obviously never spent their college years in Berlin, 'where you learn what it's like to really feel surrounded,' Raimondi added. You're not paranoid every time you think someone's out to get you, she noted. Sometimes, Raimondi said, they really are."

● TIMOTHY RUSSERT, one of Gov. Cuomo's top aides who previously worked for Sen. Patrick Moynihan (D-N.Y.), has been made vice-president of NBC News. Moynihan is the property of Averell Harriman, chief Moscow hand of the Eastern Establishment. Russert joins NBC just as it is about to begin news broadcasting from Moscow. While working for Moynihan, Russert was involved in a slander operation to defame candidates fielded by the LaRouche wing of the Democratic Party.

● GEORGIA Democrat Robert Watson, backed by the National Democratic Policy Committee, polled 33% of the vote on Sept. 4 in a run-off Democratic primary for Georgia's 6th district congressional seat. Watson had placed second in a four-way race for the seat on Aug. 15.

● NDPC chairman Warren Hamerman has addressed a telegram to U.S. Defense Secretary Weinberger urging him to overturn the "apparently bureaucratic decision" of his staff not to send a speaker to the Second International Conference of the Schiller Institute in West Germany on Sept. 22-23. No representative would hardly signify to Europeans a U.S. desire to defend the continent.

## Editorial

### *Mr. Bundy's unfinished chapter*

On Sept. 6, giving the keynote address at the University of Maryland conference "On Deterrence," McGeorge Bundy made it official that the Anglo-American Liberal Establishment has written off West Germany as part of the "New Yalta" deal with Moscow to stop the U.S. Strategic Defense Initiative from becoming a practical reality. Bundy confirmed what this publication has been warning about since January of this year—that the Soviet Union could overrun West Germany, the heart of the Western European alliance with the United States, with the willing complicity of treasonous forces in the West.

Waving aside the massive and accumulating evidence of a Soviet military-strategic menace to Western Europe, Bundy stated, "I put very low the prospect of a Soviet aggressive action in Europe in the mode and manner of Hitler." He went on to make a blatant invitation to Soviet aggression: "*All they could get in Europe without facing a European deterrent is West Germany, and that would be an unfinished chapter.*"

For what is our West German ally to be so callously sacrificed? For the cause of preventing the Strategic Defense Initiative, the ballistic missile defense system first publicly proposed in February 1982 by *EIR* chief executive Lyndon LaRouche, and adopted on March 23, 1983 by President Reagan. Bundy charged that Defense Secretary Caspar Weinberger's pledge that a "completely reliable" defense system could make nuclear missiles impotent and obsolete is "imbecilic." In the meantime, such an "imbecilic" defense system is being developed at breakneck speed by the Soviets.

McGeorge Bundy, descendant of some of America's most elite treasonous Boston families, is not new to the business of selling out America and the West to its enemies, nor is he, unfortunately, *only* a crackpot. Bundy served as White House Special Assistant on National Security during the cover-up of the conspiracy that killed President John F. Kennedy in 1963. He was president of the Ford Foundation when it was funding the creation of the terrorist left out of the student anti-

war movement and fomenting race riots in the 1960s. Now a senior adviser to candidate Walter Mondale, he is the acknowledged "chairman" of the U.S. Liberal Establishment; it was probably he who gave Henry A. Kissinger his marching orders to propose the strategic decoupling of Europe from the United States in the notorious *Time* magazine article of March 5, 1984.

It is not that Bundy is necessarily "pro-communist." Bundy, Kissinger et al. belong to a faction which since the postwar period has clamored for a single world government, under the rule of oligarchical families. Tutored by the late, evil Bertrand Russell, they have wielded the terror of thermonuclear war as the means of destroying national sovereignty and blocking technological progress throughout the West. The Strategic Defense Initiative, were it to be carried out on a crash basis as urged by Lyndon LaRouche, would end all of that.

To stop them, it is not enough to simply reassert the NATO alliance. Rather than a military alliance based on classical republican principles, NATO has tended from its founding in 1948 to become precisely the world-federalist military government of Europe that Russell and his cohorts plotted after the war to maintain their rule. New institutions must be brought into being to rescue the Western alliance from the one-worldist oligarchs who are now determined to destroy it, and rebuild that alliance, on the cultural basis of the American Revolution and the German classics of Schiller and Beethoven.

The one new institution that has been formed for this urgent purpose is the trans-Atlantic Schiller Institute founded last spring by Helga Zepp-LaRouche, which will hold its second international conference next weekend Sept. 21-23 in Wiesbaden, West Germany, with over a thousand Europeans and Americans in attendance. That conference must receive the maximum of institutional support from the United States, to finish Mr. Bundy and his Kremlin friends' "chapter" before it ever begins.

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